

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

ITHACA VENTURES k.s. and ITHACA
DEVELOPMENT, LLC,

Plaintiffs,

v.

NINTENDO OF AMERICA INC. and
NINTENDO CO., LTD.,

Defendants.

C.A. No. 13-824-GMS

**DECLARATION OF KIM ZELDIN IN SUPPORT OF ITHACA DEVELOPMENT,
LLC'S OPPOSITION TO MOTION TO TRANSFER VENUE TO THE WESTERN
DISTRICT OF WASHINGTON**

I, Kim Zeldin, declare as follows:

1. I am a partner with the law firm of Liner Grode Stein Yankelevitz Sunshine Regenstreif & Taylor LLP, counsel for the plaintiffs in the above-captioned action. I have personal knowledge of the facts set forth herein and if called as a witness, I could and would competently testify to the matters stated herein.

2. Attached hereto as Exhibit A is a true and correct copy of Nintendo's 2011 Annual Report, which I printed from its website.

3. A search of travel websites, such as Orbitz, shows that there are non-stop flights available between Munich and Philadelphia, however, there are no non-stop flights available from Munich to Seattle, Washington.

4. Philadelphia is approximately 22 miles from this Court.

5. Dallas, Texas is approximately 1,437 miles from Wilmington, Delaware. Seattle, Washington is approximately 2,079 miles from Dallas, Texas.

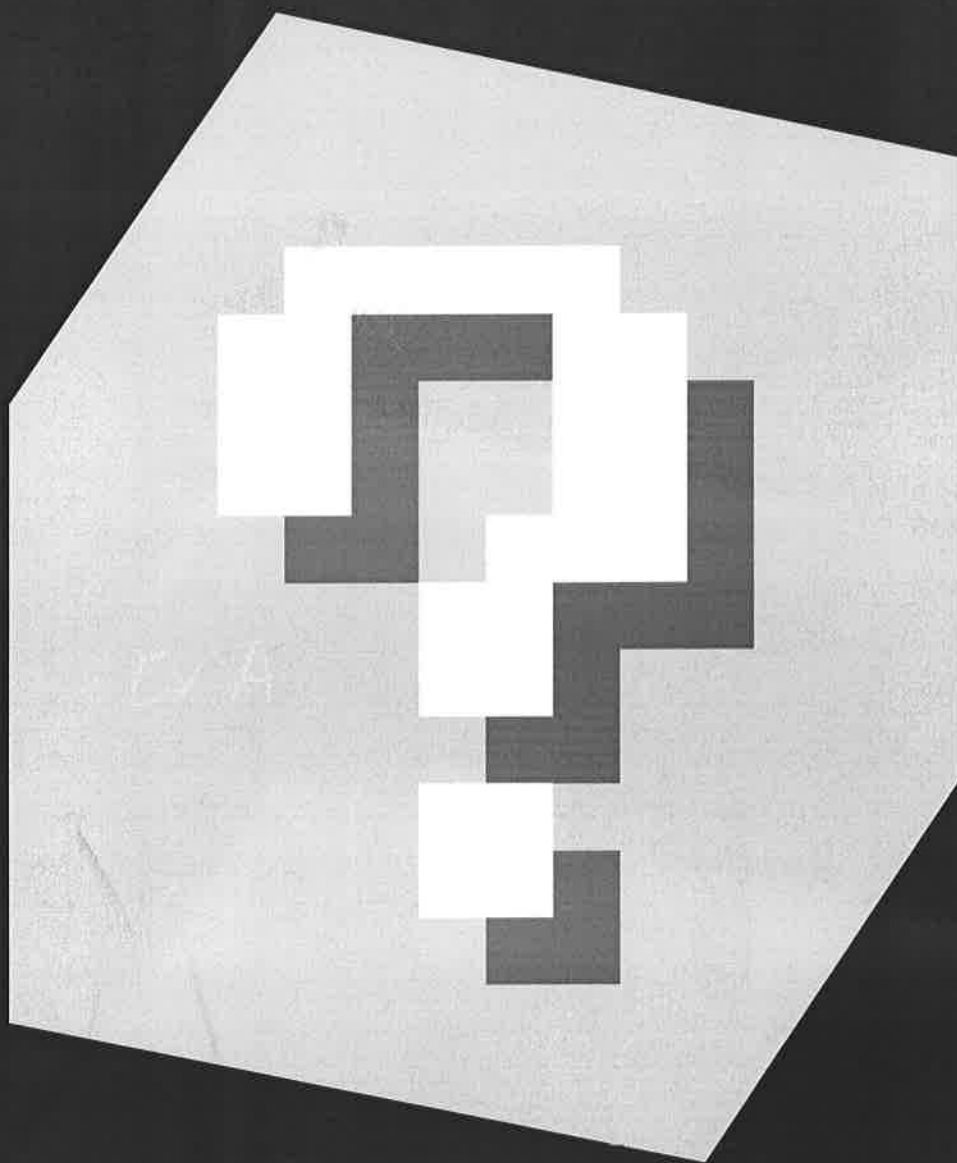
I declare under penalty of perjury that the foregoing is true and correct.

Executed September 30, 2013, at Los Angeles, California.



Kim Zeldin

EXHIBIT "A"

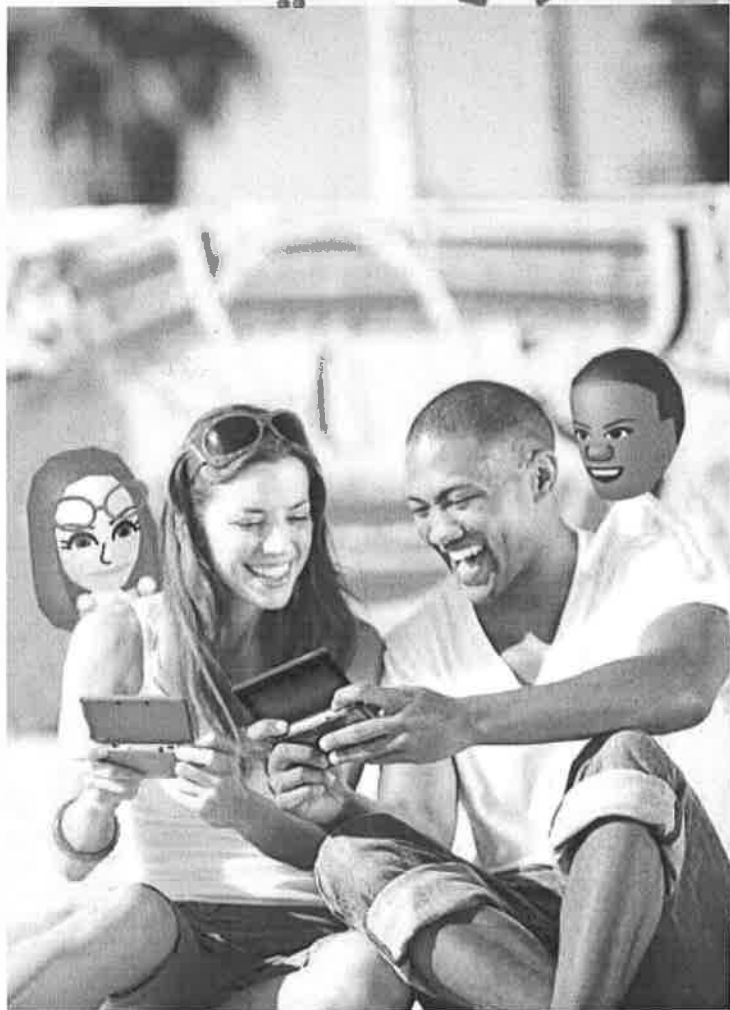
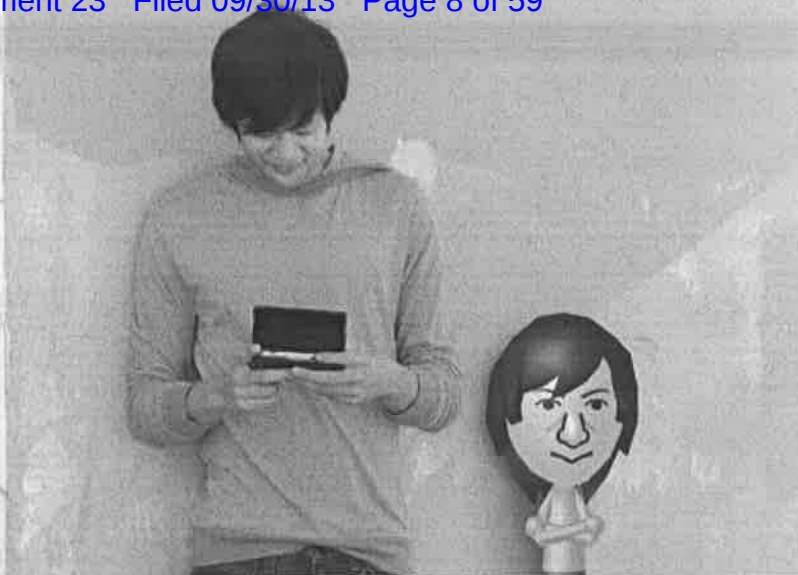


Nintendo®



















Message from the President

Since the launch of the *Nintendo Entertainment System* more than a quarter of a century ago, Nintendo has been offering the world unique and original entertainment products under the development concept of hardware and software integration. Among the few global Japanese home entertainment companies, Nintendo truly represents video game culture, and it is a well-known brand throughout the world.

Our basic strategy is the expansion of the gaming population, which is to encourage as many people in the world as possible, regardless of age, gender or gaming experience, to embrace and enjoy playing video games.

In 2004, Nintendo launched a handheld game device called *Nintendo DS* with dual screens including one touch screen, and has been expanding the diversity of consumers who enjoy video games by releasing applicable software titles in a range of genres that went beyond the then-current definition of games.

In addition, Nintendo launched a home console game system called *Wii* in 2006, which lowered the threshold for people to play games by providing more intuitive gaming experiences with motion controllers. Nintendo offers home entertainment that enables family members and friends to have fun together in their living room and continuously strives to create an environment where everybody can enjoy video games.

In 2011, Nintendo launched *Nintendo 3DS*, the successor of *Nintendo DS*, which offers something that people had never experienced before: 3D gameplay without the need for any special glasses. *Nintendo 3DS* provides a wide range of possibilities such as the realization of loose-knit connections between people and the enjoyment of carrying around a device with various communication functions. We will continue to offer software and services that take advantage of the unique features of *Nintendo 3DS* and strive for this device to reach a greater number of people.

We plan to release *Wii U*, the successor of *Wii*, in 2012, which has a new controller with a 6.2 inch touch screen. With this new controller, we propose a new structure for home entertainment, which takes players deeper into their gaming experience, as well as appeals to a wider range of people than ever before.

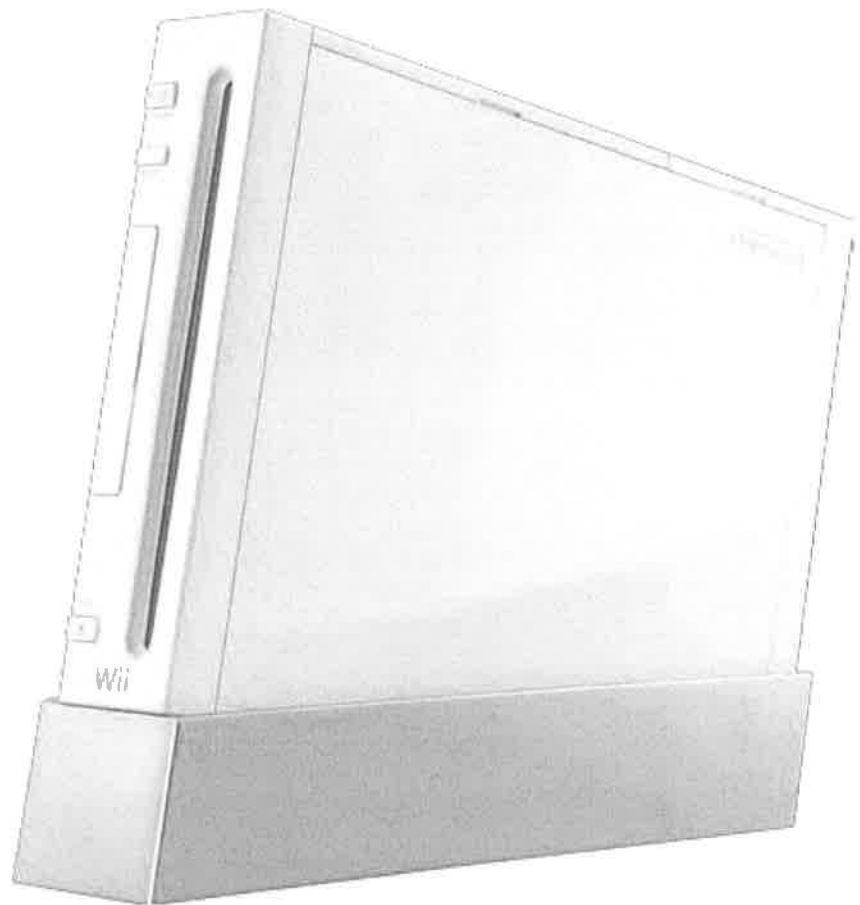
Nintendo continues to make efforts for the growth of the home entertainment industry with a mission that is "to pleasantly surprise people and put smiles on the faces of everyone involved with Nintendo."

Satoru Iwata
Satoru Iwata



Life-to-date sales
units of Wii system

86.01
million units*



Worldwide Consolidated Top Selling Titles - Wii

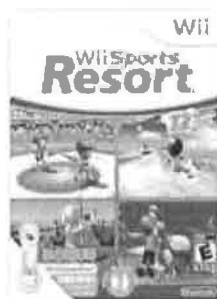
As of March 31, 2011

76.76
million pcs.
Sold

©2006 Nintendo

28.02
million pcs.
Sold

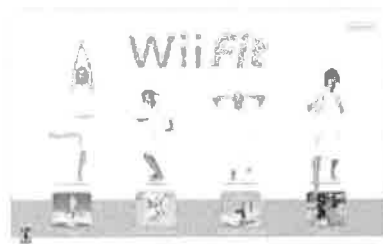
©2004-2007 Nintendo

27.68
million pcs.
Sold

©2007 Nintendo

27.00
million pcs.
Sold

©2008 Nintendo

22.67
million pcs.
Sold

©2007-2008 Nintendo

21.94
million pcs.
Sold

©2008 Nintendo

18.49
million pcs.
Sold

©2007-2008 Nintendo

10.27
million pcs.
Sold

©2008 Nintendo. NINTENDO, NINTENDO LABRATORY, INC.
CHARACTER, NINTENDO LABRATORY, INC. DESIGN
©Creative Inc. NINTENDO, NINTENDO LABRATORY, INC.
NINTENDO LABRATORY, INC. DESIGN
©Kenac Digital Entertainment Co., Ltd. SEGA

9.31
million pcs.
Sold

©2007 Nintendo

8.22
million pcs.
Sold

©2007 Nintendo ©2007 HUDSON SOFT

6.36
million pcs.
Sold

©2010 Nintendo

5.82
million pcs.
Sold

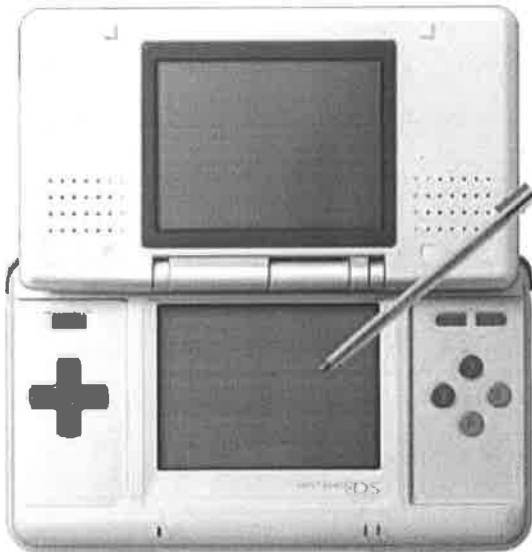
©2006 Nintendo

Life-to-date sales units of
Wii software716.09
million units

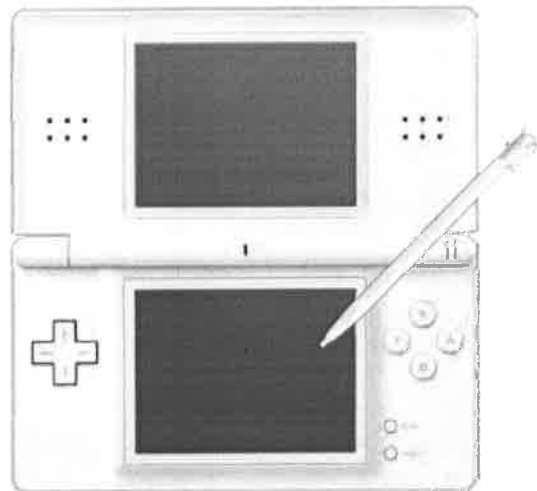
The numbers shown above are consolidated sales in units life-to-date.
Titles and package images shown above are for the U.S. market.

Life-to-date sales
units of Nintendo DS
family of systems

146.42
million units*



Nintendo DS



Nintendo DS Lite



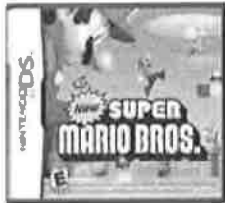
Nintendo DSi



Nintendo DSi XL

Worldwide Consolidated Top Selling Titles - Nintendo DS

As of March 31, 2011

26.88
million pcs.
Sold

©2006 Nintendo

23.64
million pcs.
Sold

©2005 Nintendo



©2005 Nintendo



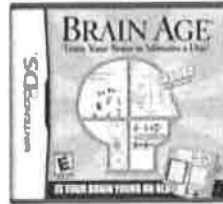
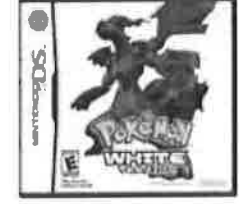
©2005 Nintendo



©2005 Nintendo

21.04
million pcs.
Sold

©2005 Nintendo

18.96
million pcs.
Sold©2005-2006 Nintendo
©2006 NIS Gatteo, Inc.17.57
million pcs.
Sold© 2007 Pokémon
© 1995-2007 Nintendo/Game Freak, Inc.14.83
million pcs.
Sold©2005-2007 Nintendo
©2007 NIS Gatteo, Inc.11.90
million pcs.
Sold© 2010 Pokémon
© 1995-2010 Nintendo/Game Freak, Inc.11.51
million pcs.
Sold©2011 Pokémon
© 1995-2011 Nintendo/Game Freak, Inc.11.51
million pcs.
Sold

©2005 Nintendo

9.65
million pcs.
Sold

©2004 Nintendo

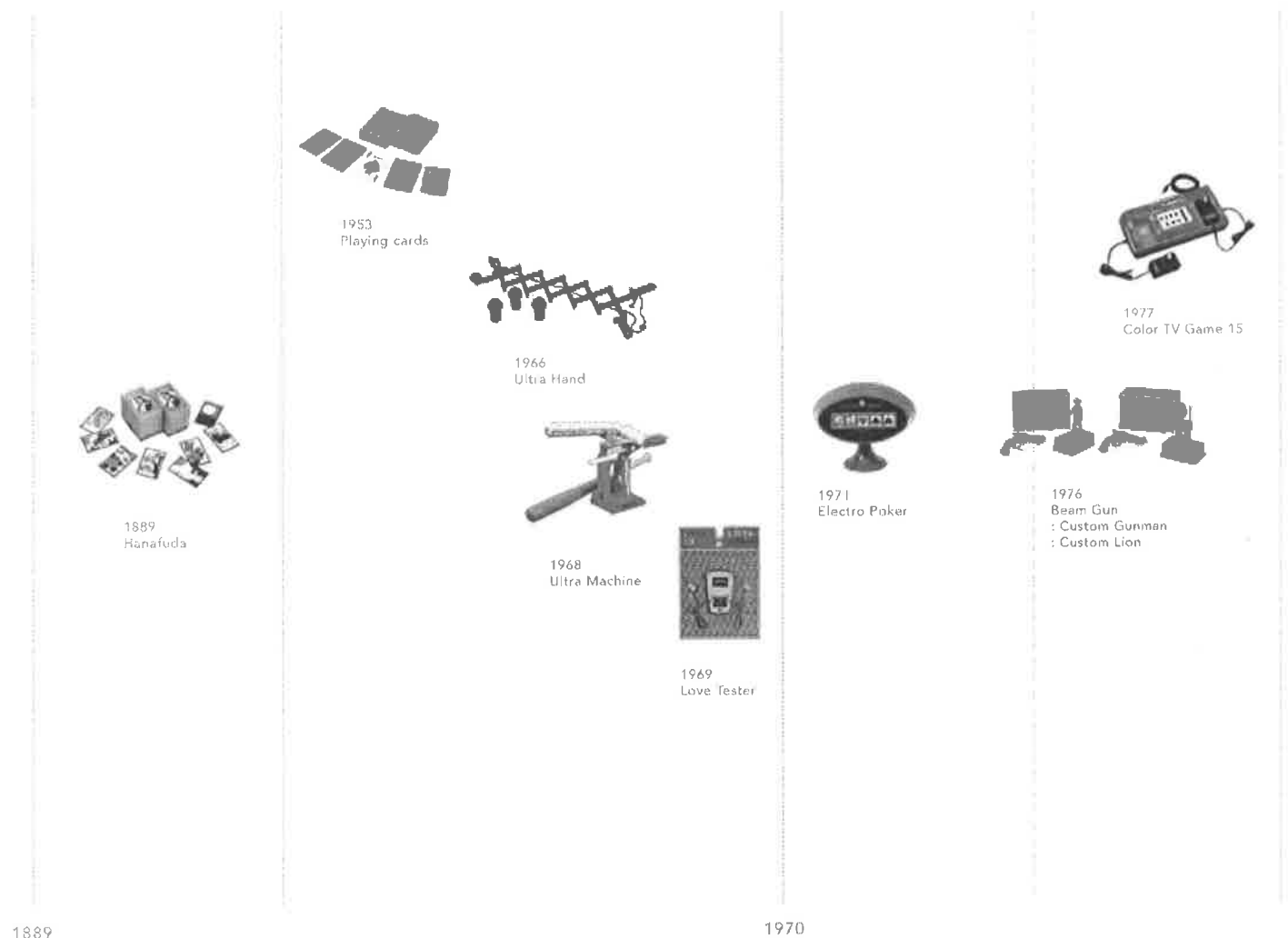
8.21
million pcs.
Sold

©2007 Nintendo, ©2007 Hudson Soft

7.43
million pcs.
Sold©2007 Pokémon
© 1995-2007 Nintendo/Game Freak, Inc.Life-to-date sales units of
Nintendo DS software839.48
million units

The numbers shown above are consolidated sales in units life-to-date.
Titles and package images shown above are for the U.S. market.

History of Nintendo



1889

Fusajiro Yamauchi, great-grandfather of Hiroshi Yamauchi (the former President and current executive adviser), began manufacturing and selling Japanese playing cards, Hanafuda (flower cards), in Kyoto, Japan.

1907

Started manufacturing and selling the first western-style playing cards in Japan.

1947

Established Marufuku Co., Ltd.

1949

Hiroshi Yamauchi took office as President.

1951

Changed company name to Nintendo Playing Card Co., Ltd.

1952

Built headquarters in Kyoto, Japan and consolidated the manufacturing facilities.

1953

Became the first company to succeed in mass-producing plastic playing cards in Japan.

1959

Started selling cards printed with Walt Disney characters, opening a new market for children's playing cards in Japan.

1962

Listed stock on the second section of the Osaka Securities Exchange and on the Kyoto Stock Exchange.

1963

Changed company name to the current Nintendo Co., Ltd. Started manufacturing and selling games and toys in addition to playing cards.

1969

Built Uji plant in Kyoto, Japan.

1970

Stock listing was changed to the first section of the Osaka Securities Exchange. Started selling the Beam Gun series, employing opto-electronics.

1973

Developed the Laser Clay shooting-range system to succeed bowling as a major pastime.

1974

Developed image projection system employing 16mm film projector and entered into the arcade business. Began exporting systems to the U.S. and Europe.

1977

Developed Nintendo's first home video game machines, TV Game 15 and TV Game 6.

1980

Established a wholly owned subsidiary, Nintendo of America Inc. in New York. Developed and started selling GAME & WATCH product line, the first portable LCD video games with a microprocessor.

1981

Developed and began distribution of the coin-operated video game Donkey Kong.

1982

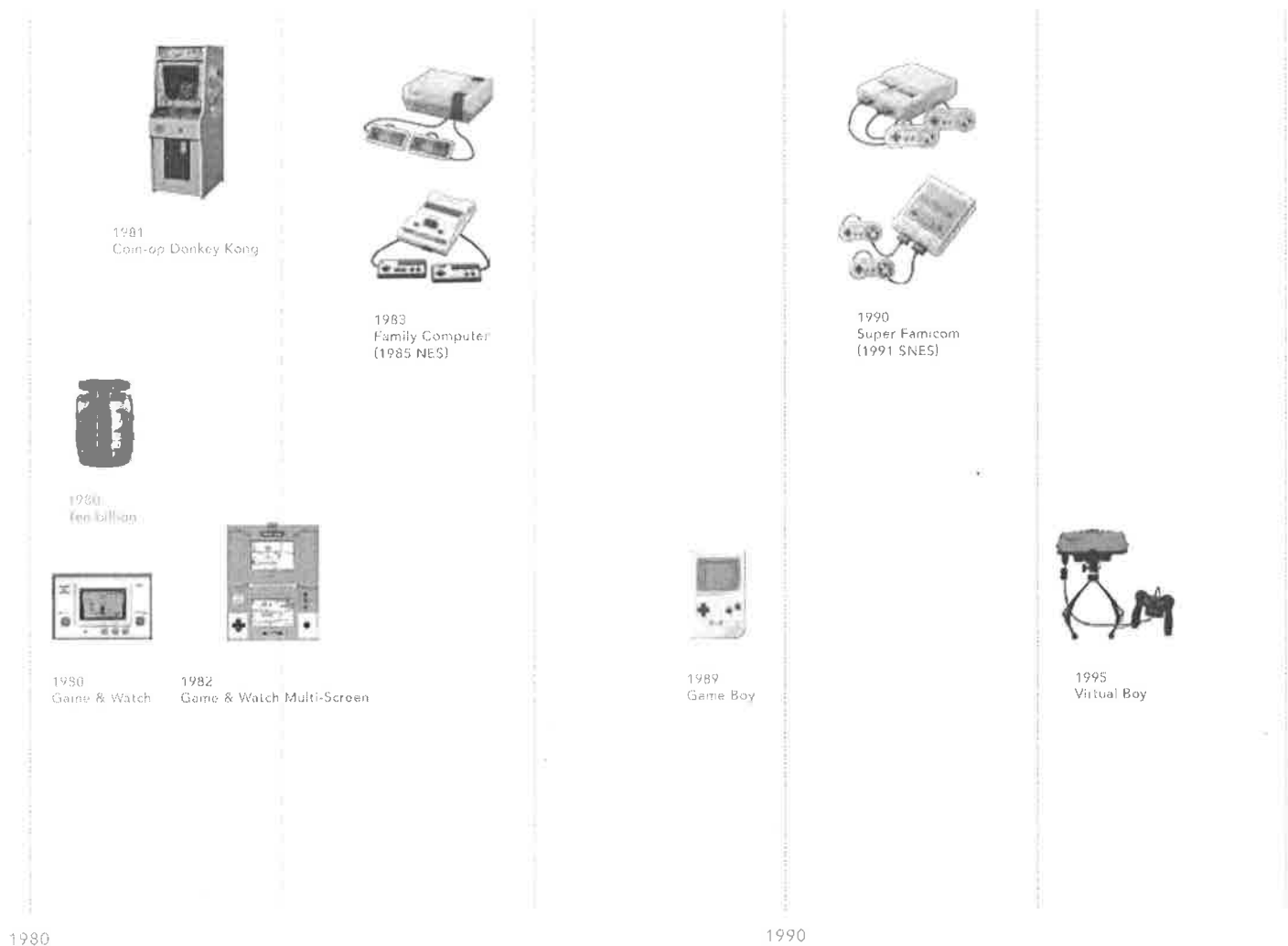
Established Nintendo of America Inc. in Seattle, Washington and merged the New York subsidiary into it.

1983

Started selling the home video game console Family Computer System employing a custom CPU (Central Processing Unit) and PPU (Picture Processing Unit). Listed stock on the first section of the Tokyo Stock Exchange.

1985

Released the Nintendo Entertainment System (NES), the U.S. version of the Family Computer System, in the U.S. Released Super Mario Bros. for NES in Japan and the U.S.



1980

1990

1986

Started selling the Family Computer Disk Drive System to expand the functions of the Family Computer System in Japan. Released NES in Europe.

1987

Released the Legend of Zelda for NES in the U.S.

1988

On-line stock brokerage services utilizing the Family Computer Network System are started in Japan jointly with Nomura Securities. Enlarged Uji plant and built Uji-Ogura plant in Kyoto, Japan. Nintendo of America Inc. publishes the first issue of Nintendo Power magazine.

1989

Introduced Game Boy, the first portable, hand-held game system with interchangeable game paks, in Japan and the U.S.

1990

Nintendo enters the 16-bit console market with the release of the Super Famicom in Japan. Established Nintendo of Europe GmbH in Frankfurt, Germany. Released Game Boy in Europe.

1991

The 16-bit Super Nintendo Entertainment System (Super NES), along with Super Mario World, is released in the U.S.

1992

Released Super NES in Europe.

1993

Established subsidiaries in France, UK, the Netherlands, Belgium, Spain and Australia. The Nintendo Gateway program is introduced to provide Nintendo entertainment to airline passengers and hotel guests in the U.S. Built Uji-Okubo plant in Kyoto, Japan.

1994

Released the Super Game Boy, a peripheral for the Super NES, which enables Game Boy software to be played on TV screen. Released Donkey Kong Country for Super NES that uses proprietary Advanced Computer Modeling (ACM) graphics. Uji, Uji-Ogura and Uji-Okubo plants received ISO-9002.

1995

Started selling Satellaview adapter for Super Famicom in Japan, enabling the system to receive digital data from broadcast satellite. Nintendo introduced a 32-bit Virtual Immersion system known as the Virtual Boy.

1996

Launched Nintendo 64 in Japan and the U.S. Launched Game Boy Pocket worldwide. Pokémon Red and Pokémon Green (known as Pokémon Blue outside Japan) for Game Boy are released in Japan.

1997

Launched Nintendo 64 in Europe. Pokémon TV series starts in Japan.

1998

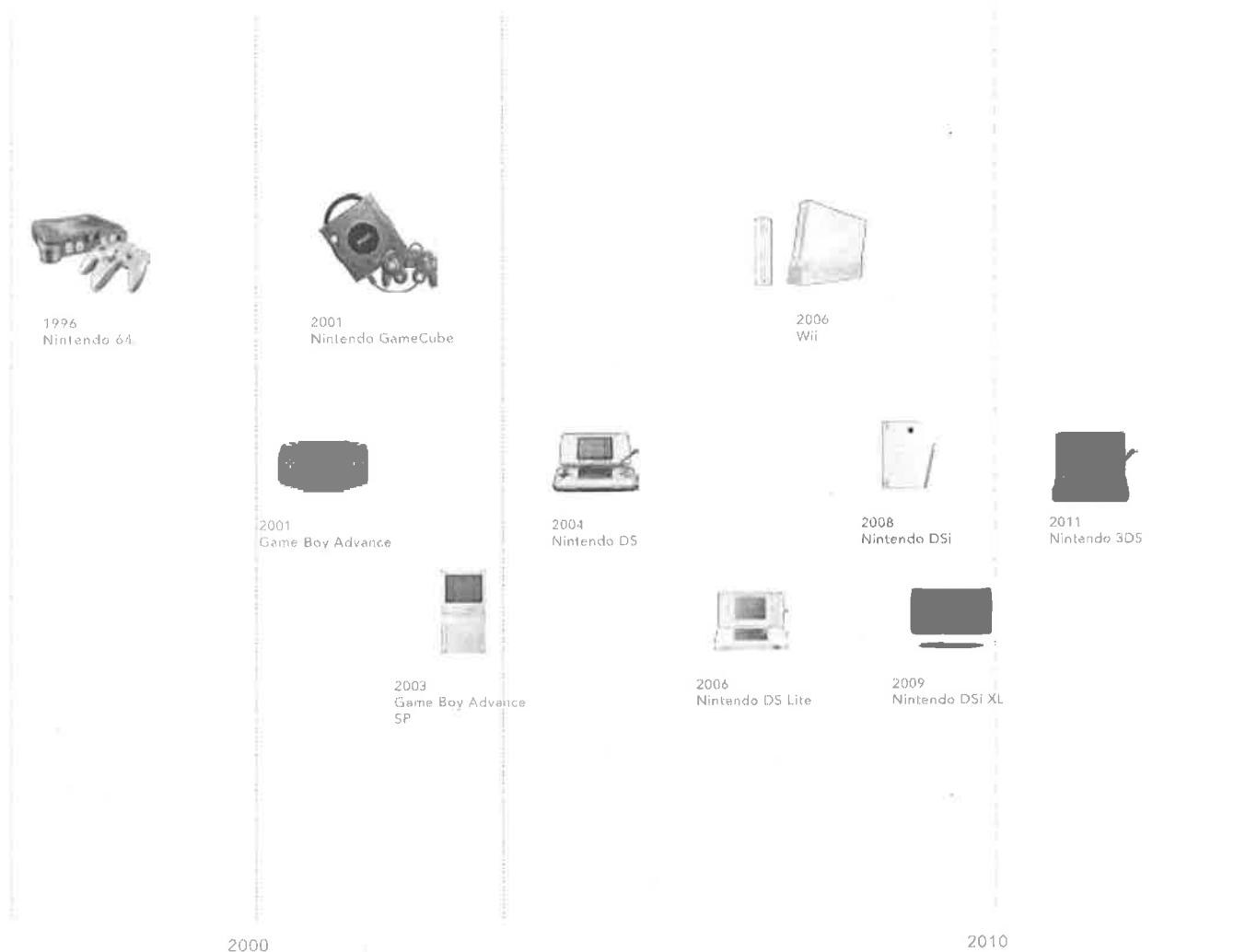
Nintendo introduces Game Boy Color along with innovative devices Game Boy Camera and Printer. Pokémon, a breakthrough game concept for Game Boy, is introduced overseas and generates an international craze to "catch 'em all!" The first Pokémon movie is released in Japan.

1999

Pokémon Gold and Pokémon Silver, both Game Boy Color games, are introduced in Japan.

2000

Pokémon Crystal for Game Boy Color is released in Japan. The headquarters of Nintendo Co., Ltd. relocates from the Higashiyama ward to the Minami ward of Kyoto, Japan.



2001

Launched Game Boy Advance worldwide. Launched Nintendo GameCube in Japan and the U.S.

2002

Launched Nintendo GameCube in Europe. Satoru Iwata takes office as President of Nintendo Co., Ltd. Released Pokémon Ruby and Pokémon Sapphire for Game Boy Advance in Japan.

2003

Launched Game Boy Advance SP, equipped with front-lit screen, rechargeable Lithium-ion battery, and compact folding design. Began Nintendo's online membership service, Club Nintendo, in Japan.

2004

Nintendo DS, the hand-held gaming device that opens up a new style of entertainment with its dual screens, touch control, wireless communication, and voice recognition technology, launched in Japan and the U.S.

2005

Launched Nintendo DS in Europe. Launched Game Boy micro, a lightweight version of the Game Boy Advance. Nintendo Wi-Fi Connection, the wireless internet service for Nintendo DS, becomes available to consumers. Introduced Touch! Generations titles, aimed at expanding the user base. Among these titles released in Japan are Nintendo's, Brain Age: Train Your Brain in Minutes a Day, and Brain Age 2: More Training in Minutes a Day.

2006

Launched Nintendo DS Lite, a smaller and lighter version of the Nintendo DS. Established a subsidiary in South Korea. Released Pokémon Diamond and Pokémon Pearl for Nintendo DS in Japan. Launched Wii with its unprecedented Wii Remote designed to make game control intuitive.

2007

Released Wii Fit bundled with the Wii Balance Board accessory in Japan.

2008

Released Mario Kart Wii that uses the Wii Wheel accessory. Introduced Pokémon Platinum Version for Nintendo DS in Japan. Launched Nintendo DSi loaded with Nintendo DSi Camera and Nintendo DSi Sound applications in Japan.

2009

Launched Nintendo DSi in the U.S. and Europe. Released Wii Sports Resort along with Wii MotionPlus that senses the subtler motion of players. Launched Nintendo DSi XL featuring larger screens and a wider viewing angle in Japan.

2010

Launched Nintendo DSi XL in the U.S. and Europe. Released special edition red versions of Nintendo DSi XL and Wii to commemorate the 25th anniversary of Super Mario Bros.

2011

Launched Nintendo 3DS, a portable entertainment device that offers new gaming experience in 3D - without the need for special glasses in Japan, the U.S. and Europe.

Financial Section

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Five-Year Summary

	¥ Japanese Yen in Millions					\$ U.S. Dollars in Thousands
Years ended March 31,	2011	2010	2009	2008	2007	2011
For the Period						
Net sales	¥1,014,345	¥1,434,365	¥1,838,622	¥1,672,423	¥966,534	\$12,221,031
Operating income	171,076	356,567	555,263	487,220	226,024	2,061,166
Net income	77,621	228,635	279,089	257,342	174,290	935,200
At the Period-end						
Total assets	1,634,297	1,760,986	1,810,767	1,802,490	1,575,597	19,690,330
Property, plant and equipment	80,864	79,586	71,064	55,150	57,600	974,275
Total net assets	¥1,281,861	¥1,336,585	¥1,253,931	¥1,229,973	¥1,102,018	\$15,444,115

	¥ Japanese Yen					\$ U.S. Dollars
Years ended March 31,	2011	2010	2009	2008	2007	2011
Per Share Information						
Net income ^A	¥606.99	¥1,797.84	¥2,182.32	¥2,012.13	¥1,362.61	\$7.31
Cash dividends ^B	¥450	¥930	¥1,440	¥1,260	¥690	\$5.42

[Note] A: The computation of net income per share of common stock is based on the weighted average number of shares outstanding (excluding treasury stock) during each fiscal year.
B: Cash dividends per share represent the amounts applicable to the respective fiscal years including dividends to be paid after the end of each fiscal year.

Stock Price Information

	¥ Japanese Yen				\$ U.S. Dollars	
	2011		2010		2011	
Years ended March 31,	Highest	Lowest	Highest	Lowest	Highest	Lowest
First Quarter	¥32,950	¥23,870	¥30,850	¥24,840	\$396.98	\$287.59
Second Quarter	27,160	20,710	27,000	22,300	327.22	249.51
Third Quarter	24,670	20,180	24,720	20,140	297.22	243.13
Fourth Quarter	26,780	20,000	32,650	22,130	322.65	240.96

[Note] The preceding table sets forth the highest and lowest sale prices during the years ended March 31, 2011 and 2010 for Nintendo Co., Ltd. common stock, as reported on the Osaka Securities Exchange, Section 1. Nintendo Co., Ltd. common stock is also traded on the Tokyo Stock Exchange, Section 1.

Analysis of Operations and Financial Review

Overview

Nintendo continues to pursue its basic strategy of *Gaming Population Expansion* by offering compelling products that anyone can enjoy, regardless of age, gender, or gaming experience.

During the fiscal year ended March 2011, to commemorate the 25th anniversary of Nintendo's major title *Super Mario Bros.*, special edition red versions of *Nintendo DSi XL* and *Wii* hardware were launched worldwide along with *Wii* software *Super Mario All-Stars Limited Edition* as the revival of *Super NES* software *Super Mario All-Stars*, combining various classic *Super Mario* titles. This sales promotion, appealing to those who had long been away from video games or never played video games before, as well as our existing users, contributed to strong sales.

In addition, within the handheld device segment of the electronic entertainment division, sales of *Pokémon Black Version* and *Pokémon White Version* became robust in and out of Japan. In the home console business, strong sales were realized on several titles including *Super Mario Galaxy 2*, an action game featuring Mario's adventures throughout the galaxy, *Wii Party*, which features party games that anyone can enjoy, *Donkey Kong Country Returns* in which the popular character runs, jumps and climbs while on a quest, and also titles launched during last fiscal year, such as *New Super Mario Bros. Wii* and *Wii Fit Plus*.

Furthermore, *Nintendo 3DS*, a new handheld device which allows 3D gameplay without the need for any special glasses, released in February in Japan and in March in the United States, Europe, and Australia, had a smooth start in sales at its launch.

However, compared to last year, when December 2009 had monthly record sales in our largest market, the United States, sales went down for both hardware and software. Sales went down in Japan and Europe as well.

As a result, the worldwide sales of the *Nintendo DS* series, *Nintendo 3DS*, and *Wii* hardware were 17.52 million units, 3.61 million units, and 15.08 million units respectively. The worldwide sales units of the *Nintendo DS* series, *Nintendo 3DS*, and *Wii* software were 120.98 million, 9.43 million and 171.26 million respectively. The number of million-seller titles life-to-date (including third-party publisher titles) for the *Nintendo DS* series increased from 114 to 139, while *Wii* increased from 79 to 103 titles, compared with the end of last fiscal year. *Nintendo 3DS* had two million-seller titles for this fiscal year.

Due to appreciation of the yen and the price reduction of *Nintendo DS* series hardware, net sales were 1,014.3 billion yen (US\$12,221 million) (of which overseas sales were 846.4 billion yen (US\$10,198 million), or 83.4% of the total sales) and operating income was 171.0 billion yen (US\$2,061 million). In addition, due to exchange losses totaling 49.4 billion yen (US\$595 million) primarily caused by the reevaluation of assets in foreign currencies, ordinary income was 128.1 billion yen (US\$1,543 million), and net income was 77.6 billion yen (US\$ 935 million).

Risk Factors

Listed below are the various risks that could significantly affect Nintendo's operating performance, share price, and financial condition. However, unpredictable risks may exist other than the risks set forth herein.

Note that matters pertaining to the future presented herein are determined by Nintendo as of the end of annual consolidated fiscal period ended March 31, 2011.

(1) Risks around economic environment

•Fluctuation in foreign exchange rates

Nintendo distributes its products globally with overseas sales accounting for approximately 80% of total sales. The majority of monetary transactions are made in local currencies. In addition, the Company holds a substantial amount of assets in foreign currencies including cash and deposits without exchange contracts and so forth. Thus, fluctuation in foreign exchange rates would have a direct influence on earnings not only when foreign currencies are converted to Japanese yen but also when revaluated for financial reporting purposes. Japanese yen appreciation against the U.S. dollar or Euro would have a negative impact on profitability.

(2) Risks around business activities

• Fluctuation of market environment and competition against other companies

Nintendo's business is engaged in one segment of the broad entertainment field. However, its business can be affected by trends in other entertainment fields. If consumer preferences shift to other forms of entertainment, it is possible that the video game market may shrink. The emergence of new competitors resulting from technological innovation could have a detrimental impact as well.

In the video game industry, it may become even more difficult to be profitable due to large investments required in research, development and marketing. In addition, competition may intensify with enormous companies doing business in the same industry or in other entertainment fields. As a result, Nintendo may find difficulty in maintaining or expanding its market share as well as sustaining profitability.

• Development of new products

Although Nintendo is continuously making efforts to develop innovative and attractive products in the field of computer entertainment, the development process is complicated and includes many uncertainties. Various risks involved are as follows:

- a. Despite the substantial costs and time needed for software development, there is no guarantee that all new products will be accepted by consumers due to ever shifting consumer preferences. As a result, development of certain products may be suspended or aborted.
- b. While development of hardware is time-consuming, with technology continuously advancing, it is possible that the Company may not be able to equip technologies required for entertainment. Furthermore, delays of hardware launches could adversely affect market share.
- c. Due to the nature of Nintendo products, it may become difficult to develop or sell the products as planned, which could lead to significant variances from income projections.

• Product valuation and adequate inventory procurement

Products in the video game industry have relatively short life cycles, and are significantly impacted by consumers' preferences as well as seasonality. Although production is projected based on the forecasted equilibrium point of supply and demand, it is difficult to forecast demand accurately, which may lead to excess inventory. Obsolete inventory could have an adverse effect on Nintendo's operations and financial position.

• Overseas business expansion and international activities

In addition to Japan, Nintendo engages in business in the Americas, Europe, Australia, Asia and other areas in the world. Expansion of business to these overseas markets involves risks such as a) unpredictable enforcement or changes in laws or regulations, b) disadvantages from emergence of political or economic factors, c) disadvantages from inconsistency of multilateral taxation systems and diversity of tax law interpretation, d) difficulty of recruiting and securing human resources, e) social disruption resulting from terrorist attacks, war, and other catastrophic events.

• Dependency on outside manufacturers

Nintendo commissions a number of outside manufacturers to produce key components or assemble finished products. In the event one or more of these businesses fail, Nintendo may have difficulty procuring key components or manufacturing its products. In addition, suppliers may be unable to provide necessary components on a timely basis. A shortage of key components could cause marginal decline due to higher costs, shortage of products and quality control issues. These issues may impair the relationship between Nintendo and its customers.

Furthermore, as many suppliers' production facilities are located overseas, potential production interruptions caused by societal violence, natural disasters or any other accidents in the area would negatively affect Nintendo's business.

• Business operations affected by seasonal fluctuation

A major portion of demand is focused around the holiday season. Should Nintendo fail to release attractive new products or supply hardware during the period, it would suffer unfavorable operating performance.

Analysis of Operations and Financial Review

(3) Risks around legal regulations and litigation

- Product liability

Nintendo manufactures its products based on quality control standards required in each location throughout the world. However, large-scale product recalls may occur due mainly to defective products, which may cause Nintendo to incur additional expenses and Nintendo's reputation may suffer as well as Nintendo's performance and financial position.

- Limitations of enforcing intellectual property rights

Although Nintendo continues to accumulate various intellectual properties to produce different products, counterfeit products already have gone into circulation and violated Nintendo's intellectual property rights. In the future, it may not be possible to fully enforce against every infringement of Nintendo's intellectual property rights.

- Leakage of personal and confidential information

Nintendo possesses personally identifiable information about its consumers, such as "Club Nintendo" membership information. If such personally identifiable information or any confidential information concerning development or business operations were ever breached or otherwise leaked outside of Nintendo, there would be an adverse affect on Nintendo's future operating performance, reputation, share price and financial condition.

- Changes in accounting standards and taxation systems

Unpredicted adoptions or changes in accounting standards or taxation systems could have an effect on Nintendo's performance and financial position. Conflict of views between Nintendo and the tax authorities may cause additional tax costs.

- Litigation

Nintendo's operations in Japan and overseas may be subject to litigation, disputes and other legal procedures. These issues may adversely affect Nintendo's performance.

- Other risks

Other than risks set forth above, factors such as uncollectibility of trade accounts receivable and notes receivable, collapse of financial institutions and environmental regulations may adversely affect Nintendo's performance and financial position.

Report of Independent Auditor

To the Board of Directors and Shareholders of Nintendo Co., Ltd.

We have audited the accompanying consolidated balance sheet of Nintendo Co., Ltd. and its subsidiaries (the "Company") as of March 31, 2011, and the related consolidated statements of income, consolidated statements of comprehensive income, changes in net assets and cash flows for the year then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Nintendo Co., Ltd. and its subsidiaries as of March 31, 2011, and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

The amounts expressed in U.S. dollars, which are provided solely for the convenience of the readers, have been translated on the basis set forth in Note 1 to the accompanying consolidated financial statements.



Kyoto Audit Corporation
Kyoto, Japan
June 29, 2011

Report of Independent Auditor

To the Board of Directors and Shareholders of Nintendo Co., Ltd.

We have audited the accompanying consolidated balance sheet of Nintendo Co., Ltd. and its subsidiaries (the "Company") as of March 31, 2010, and the related consolidated statements of income, changes in net assets, and cash flows for the year then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Nintendo Co., Ltd. and its subsidiaries as of March 31, 2010, and the consolidated results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

The amounts expressed in U.S. dollars, which are provided solely for the convenience of the readers, have been translated on the basis set forth in Note 1 to the accompanying consolidated financial statements.



Kyoto Audit Corporation
Kyoto, Japan
June 28, 2010

Consolidated Balance Sheets

As of March 31,	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands (Note 1)
	2011	2010	2011
Assets			
Current assets			
Cash and deposits	¥812,870	¥886,995	\$9,793,618
Notes and accounts receivable-trade	135,689	131,876	1,634,810
Short-term investment securities	358,206	365,326	4,315,744
Finished goods	85,205	116,055	1,026,577
Work in process	438	90	5,278
Raw materials and supplies	7,069	8,528	85,173
Deferred tax assets	27,620	35,193	332,778
Other	42,362	48,389	510,388
Allowance for doubtful accounts	(756)	(1,067)	(9,115)
Total current assets	1,468,706	1,591,388	17,695,254
Noncurrent assets			
Property, plant and equipment (Note 6 A)			
Buildings and structures, net	27,124	16,037	326,802
Machinery, equipment and vehicles, net	4,851	1,797	58,447
Tools, furniture and fixtures, net	5,787	5,259	69,726
Land	41,606	42,488	501,288
Construction in progress	1,494	14,003	18,009
Total property, plant and equipment	80,864	79,586	974,275
Intangible assets			
Software	3,553	949	42,808
Other	1,986	3,162	23,928
Total intangible assets	5,539	4,111	66,737
Investments and other assets			
Investment securities (Note 6 B)	38,228	44,057	460,586
Deferred tax assets	35,017	35,929	421,897
Other	5,940	5,926	71,578
Allowance for doubtful accounts	(0)	(13)	(0)
Total investments and other assets	79,187	85,899	954,062
Total noncurrent assets	165,591	169,598	1,995,075
Total assets	¥1,634,297	¥1,760,986	\$19,690,330

See accompanying notes to consolidated financial statements.

As of March 31,	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands (Note 1)
	2011	2010	2011
Liabilities			
Current liabilities			
Notes and accounts payable-trade	¥214,646	¥264,613	\$2,586,107
Income taxes payable	32,301	55,666	389,173
Provision for bonuses	2,431	2,174	29,292
Other	83,922	85,082	1,011,110
Total current liabilities	333,301	407,537	4,015,683
Noncurrent liabilities			
Provision for retirement benefits	11,647	9,924	140,327
Other	7,486	6,939	90,203
Total noncurrent liabilities	19,134	16,863	230,530
Total liabilities	352,435	424,401	4,246,214
Net assets			
Shareholders' equity			
Capital stock	10,065	10,065	121,269
Capital surplus	11,734	11,733	141,379
Retained earnings	1,502,631	1,527,315	18,103,990
Treasury stock	(156,663)	(156,585)	(1,887,517)
Total shareholders' equity	1,367,767	1,392,528	16,479,122
Other accumulated comprehensive income			
Valuation difference on available-for-sale securities	(917)	1,661	(11,055)
Foreign currency translation adjustment	(85,212)	(57,778)	(1,026,654)
Total other accumulated comprehensive income	(86,129)	(56,117)	(1,037,709)
Minority interests	224	174	2,703
Total net assets	1,281,861	1,336,585	15,444,115
Total liabilities and net assets	¥1,634,297	¥1,760,986	\$19,690,330

See accompanying notes to consolidated financial statements.

Consolidated Statements of Income

	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands (Note 1)
Years ended March 31,	2011	2010	2011
Net sales	¥1,014,345	¥1,434,365	\$12,221,031
Cost of sales (Notes 7 A, C)	626,379	859,131	7,546,742
Gross profit	387,965	575,234	4,674,289
Selling, general and administrative expenses (Notes 7 B,C)	216,889	218,666	2,613,122
Operating income	171,076	356,567	2,061,166
Non-operating income			
Interest income	6,870	8,512	82,776
Other	1,731	2,570	20,862
Total non-operating income	8,602	11,082	103,638
Non-operating expenses			
Sales discounts	479	587	5,782
Loss on redemption of securities	-	2,131	-
Foreign exchange losses	49,429	204	595,538
Other	1,667	401	20,094
Total non-operating expenses	51,577	3,325	621,415
Ordinary income	128,101	364,324	1,543,389
Extraordinary income			
Reversal of allowance for doubtful accounts	56	1,207	680
Gain on sales of noncurrent assets (Note 7 D)	105	126	1,275
Gain on sales of investment securities	24	-	293
Gain on prior periods adjustment (Note 7 F)	-	4,065	-
Total extraordinary income	186	5,399	2,249
Extraordinary loss			
Loss on disposal of noncurrent assets (Note 7 E)	30	67	372
Loss on sales of investment securities	0	-	-
Loss on valuation of investment securities	322	-	3,884
Loss on prior periods adjustment (Note 7 G)	-	2,215	-
Total extraordinary losses	353	2,282	4,256
Income before income taxes and minority interests	127,934	367,442	1,541,382
Income taxes-current	41,627	136,319	501,540
Income taxes-deferred	8,634	2,576	104,035
Total income taxes	50,262	138,896	605,575
Income before minority interests	77,671	-	935,806
Minority interests in income (loss)	50	(89)	606
Net income	¥77,621	¥228,635	\$935,200

See accompanying notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income

Years ended March 31,	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands (Note 1)
	2011	2010	2011
Income before minority interests	¥77,671	-	\$935,806
Other comprehensive income			
Valuation difference on available-for-sale securities	(2,582)	-	(31,112)
Foreign currency translation adjustment	(27,433)	-	(330,527)
Share of other comprehensive income of associates accounted for using equity method	3	-	41
Total other comprehensive income (Note 8 B)	(30,012)	-	(361,598)
Comprehensive income (Note 8 A)	47,659	-	574,208
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of the parent	47,608	-	573,602
Comprehensive income attributable to minority interests	¥50	-	\$606

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Net Assets

Years ended March 31, 2011 and 2010	Japanese Yen in Millions								
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total other comprehensive income	Minority interests
Balance as of March 31, 2009	¥10,065	¥11,726	¥1,432,958	¥(156,516)	¥1,298,234	¥3,100	¥(47,428)	¥(44,328)	¥25
Changes of items during the fiscal year									
Dividends from surplus	-	-	(134,278)	-	(134,278)	-	-	-	-
Net income	-	-	228,635	-	228,635	-	-	-	-
Purchase of treasury stock	-	-	-	(74)	(74)	-	-	-	-
Disposal of treasury stock	-	6	-	5	11	-	-	-	-
Net changes of items other than shareholders' equity	-	-	-	-	-	(1,439)	(10,349)	(11,788)	148
Total changes of items during the fiscal year	-	6	94,356	(68)	94,294	(1,439)	(10,349)	(11,788)	148
Balance as of March 31, 2010	10,065	11,733	1,527,315	(156,585)	1,392,528	1,661	(57,778)	(56,117)	174
Changes of items during the fiscal year									
Dividends from surplus	-	-	(102,305)	-	(102,305)	-	-	-	-
Net income	-	-	77,621	-	77,621	-	-	-	-
Purchase of treasury stock	-	-	-	(79)	(79)	-	-	-	-
Disposal of treasury stock	-	1	-	1	2	-	-	-	-
Net changes of items other than shareholders' equity	-	-	-	-	-	(2,578)	(27,433)	(30,012)	50
Total changes of items during the fiscal year	-	1	(24,683)	(78)	(24,761)	(2,578)	(27,433)	(30,012)	50
Balance as of March 31, 2011	¥10,065	¥11,734	¥1,502,631	¥(156,663)	¥1,367,767	¥(917)	¥(85,212)	¥(86,129)	¥224

Years ended March 31, 2011	U.S. Dollars in Thousands (Note 1)								
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total other comprehensive income	Minority interests
Balance as of March 31, 2010	\$121,269	\$141,364	\$18,401,386	\$(1,886,568)	\$16,777,452	\$20,015	\$(696,126)	\$(676,111)	\$2,097
Changes of items during the fiscal year									
Dividends from surplus	-	-	(1,232,597)	-	(1,232,597)	-	-	-	-
Net income	-	-	935,200	-	935,200	-	-	-	-
Purchase of treasury stock	-	-	-	(962)	(962)	-	-	-	-
Disposal of treasury stock	-	15	-	14	29	-	-	-	-
Net changes of items other than shareholders' equity	-	-	-	-	-	(31,071)	(330,527)	(361,598)	606
Total changes of items during the fiscal year	-	15	(297,396)	(948)	(298,329)	(31,071)	(330,527)	(361,598)	606
Balance as of March 31, 2011	\$121,269	\$141,379	\$18,103,990	\$(1,887,517)	\$16,479,122	\$(11,055)	\$(1,026,654)	\$(1,037,709)	\$2,703

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Years ended March 31,	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands (Note 1)
	2011	2010	2011
Net cash provided by (used in) operating activities			
Income before income taxes and minority interests	¥127,934	¥367,442	\$1,541,382
Depreciation and amortization	6,794	7,098	81,863
Increase (decrease) in allowance for doubtful accounts	(221)	(2,867)	(2,673)
Increase (decrease) in provision for retirement benefits	2,586	41	31,160
Interest and dividends income	(7,113)	(8,767)	(85,710)
Foreign exchange losses (gains)	39,464	(16,898)	475,480
Equity in (earnings) losses of affiliates	40	58	491
Decrease (increase) in notes and accounts receivable-trade	(12,377)	3,833	(149,124)
Decrease (increase) in inventories	20,109	13,380	242,281
Increase (decrease) in notes and accounts payable-trade	(42,172)	(50,731)	(508,101)
Increase (decrease) in accrued consumption taxes	(2,908)	1,061	(35,044)
Other, net	3,515	(1,825)	42,355
Sub-total	135,652	311,837	1,634,362
Interest and dividends income received	7,676	9,595	92,485
Interest expenses paid	(2)	(2)	(30)
Income taxes paid	(65,222)	(161,091)	(785,810)
Net cash provided by (used in) operating activities	78,103	160,337	941,006
Net cash provided by (used in) investing activities			
Payments into time deposits	(391,444)	(288,968)	(4,716,203)
Proceeds from withdrawal of time deposits	398,561	247,925	4,801,941
Purchase of short-term investment securities	(613,423)	(566,926)	(7,390,640)
Proceeds from sales and redemption of securities	476,912	619,400	5,745,927
Purchase of property, plant and equipment	(10,940)	(17,127)	(131,818)
Proceeds from sales of property, plant and equipment	536	135	6,465
Purchase of investment securities	(13,468)	(1,075)	(162,265)
Other, net	(771)	(6,092)	(9,295)
Net cash provided by (used in) investing activities	(154,038)	(12,728)	(1,855,889)
Net cash provided by (used in) financing activities			
Purchase of treasury stock	(79)	(74)	(962)
Cash dividends paid	(102,314)	(134,137)	(1,232,702)
Other, net	(61)	364	(744)
Net cash provided by (used in) financing activities	(102,456)	(133,847)	(1,234,410)
Effect of exchange rate change on cash and cash equivalents	(28,576)	23,442	(344,292)
Net increase (decrease) in cash and cash equivalents	(206,967)	37,203	(2,493,585)
Cash and cash equivalents at beginning of year	931,333	894,129	11,220,890
Cash and cash equivalents at end of year (Note 10)	¥724,366	¥931,333	\$8,727,304

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

Note 1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of Nintendo Co., Ltd. (the "Company") and its consolidated subsidiaries are compiled from the consolidated financial statements prepared by the Company as requested by the Financial Instruments and Exchange Act of Japan and are prepared on the basis of accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of the International Financial Reporting Standards. The financial statements of the Company and its domestic subsidiaries are prepared on the basis of the accounting and relevant legal requirements in Japan. The financial statements of the overseas consolidated subsidiaries are prepared on the basis of the accounting and relevant legal requirements of their countries of domicile and no adjustment has been made to their financial statements in consolidation to the extent that significant differences do not occur, as allowed under the generally accepted accounting principles and practices in Japan.

As permitted by the Financial Instruments and Exchange Act of Japan, each amount of the accompanying consolidated financial statements is rounded down to the nearest one million yen (In the case of translation into U.S. dollars, it is rounded down to the nearest one thousand dollars). Consequently, the totals shown in the accompanying consolidated financial statements do not necessarily agree with the sums of the individual amounts.

The consolidated financial statements presented herein are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The rate of ¥83 to U.S.\$1, the approximate current rate of exchange on March 31, 2011, has been applied for the purpose of presentation of the accompanying consolidated financial statements in U.S. dollars. These amounts in U.S. dollars are included solely for convenience and should not be construed as representations that the Japanese yen amounts actually represent, have been or could be converted into U.S. dollars at this or any other rate of exchange.

The accompanying consolidated financial statements are not intended to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

Note 2. Significant Accounting Policies

A. Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and all of its 26 subsidiaries except for one as of March 31, 2011 and 2010. One of the subsidiaries, Fukuei Co., Ltd. is not only unconsolidated, but also not being accounted for under the equity method, as it is a small scale company and its impact is not significant on the total assets, net sales, net income or loss, retained earnings and others in the consolidated financial statements. The equity method of accounting is applied to four affiliates out of five as of March 31, 2011 and 2010. One of the affiliates, Ape Inc., is not accounted for under the equity method, as it is immaterial and its impact is not significant on net income or loss, retained earnings and others in the consolidated financial statements. The names of the major subsidiaries and affiliates are shown in "Corporate information" at page 49.

All the consolidated subsidiaries have adopted March 31, the closing date of the accompanying consolidated financial statements, as their fiscal year end except for Nintendo Phuten Co., Ltd., iQue Ltd. and iQue (China) Ltd. of December 31 as of March 31, 2011 and except for Nintendo Phuten Co., Ltd., Retro Studios, Inc., iQue Ltd. and iQue (China) Ltd. of December 31 and MONOLITH SOFTWARE INC. of the end of February as of March 31, 2010. The amounts of these subsidiaries have been included on the basis of their fiscal periods as the differences in the closing dates are within three months prior to March 31. Besides, the amounts of certain affiliates have been included on the basis of their fiscal periods within three months prior to March 31. Any necessary adjustments were made to financial statements to reflect any significant transactions from their closing dates to March 31, 2011 and 2010.

From the year ended March 31, 2011, the closing dates of Retro Studios, Inc. and MONOLITH SOFTWARE INC. have changed from December 31 and the end of February to March 31. In accordance with the change, the number of months included in the fiscal year ended March 31, 2011 is 15 and 13, respectively.

B. Securities and Derivatives**Securities**

Held-to-maturity debt securities are stated using amortized cost method on a straight-line basis. Other investment securities for which market quotations are available are stated at fair value at the balance sheet date. Unrealized gains and losses on other investment securities are recorded as "Valuation difference on available-for-sale securities" in "Net assets" at the net-of-tax amount. The cost of investment securities sold is determined based on the moving average cost.

Other investment securities for which market quotations are unavailable are stated at cost, determined by the moving average method.

Derivatives

Derivatives are stated at fair value.

C. Inventories

Finished goods, work in process and raw materials and supplies are mainly measured by means of the cost method based on the moving average method, which evaluates the amount of the inventories shown on the balance sheet by the write-down of inventories due to decreased profitability of assets.

D. Property, Plant and Equipment

The Company and its domestic consolidated subsidiaries compute depreciation by the declining balance method over the estimated useful lives except for certain tools, furniture and fixtures depreciated over the economic useful lives. The straight-line basis of depreciation is used for buildings, except for structures, acquired on or after April 1, 1998. Overseas consolidated subsidiaries compute depreciation by applying the straight-line basis over the period of estimated useful lives. Estimated useful lives of "Buildings and structures," one of the principal assets, are 3 to 60 years.

Leased assets are excluded from property, plant and equipment.

E. Intangible Assets

Amortization of intangible assets, except for computer software for internal use, is computed by the straight-line basis over the estimated useful lives. Amortization of computer software for internal use is computed by the straight-line basis over the estimated internal useful lives of mainly five years.

Leased assets are excluded from intangible assets.

F. Leased Assets

Leased assets related to finance lease transactions that do not transfer ownership are depreciated on a straight-line basis, with the lease periods used as their useful lives and no residual value.

G. Allowance for Doubtful Accounts

The Company and its domestic consolidated subsidiaries provide the allowance for doubtful accounts based on the historical analysis of loss experience and the evaluation of uncollectible amount on individual doubtful accounts. Overseas consolidated subsidiaries provide the allowance for doubtful accounts based on the evaluation of uncollectible amount on individual accounts.

H. Provision for Bonuses

The Company and certain consolidated subsidiaries provide the reserve for the estimated amount of bonuses to be paid to the employees.

I. Provision for Retirement Benefits

The Company and certain consolidated subsidiaries provide the reserve for employees' retirement and severance benefits based on the projected benefit obligation and plan assets at the end of fiscal year.

Actuarial calculation differences are processed collectively in the accrued year.

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

J. Translation of Foreign Currency Items

All the monetary receivables and payables of the Company and its domestic consolidated subsidiaries denominated in foreign currencies are translated into Japanese yen at the exchange rate in effect at the respective balance sheet dates. The foreign exchange gains and losses from translation are recognized in the accompanying consolidated statements of income.

With respect to financial statements of overseas subsidiaries, the balance sheet accounts are translated into Japanese yen at the exchange rate of the closing date except for shareholders' equity, which are translated at the historical rates. Revenue and expense accounts are translated into Japanese yen at the annual average exchange rate for the fiscal period. The differences resulting from such translations are included in "Foreign currency translation adjustment" or "Minority interests" in "Net assets."

K. Amortization of Goodwill

Goodwill is fully amortized by the straight-line basis over mainly five years or, in case of immaterial amount, in the same fiscal year as incurred.

L. Cash and Cash Equivalents in Consolidated Statements of Cash Flows

"Cash and cash equivalents" include cash on hand, time deposit which can be withdrawn on demand and certain investments, with little risk of fluctuation in value and maturity date of three months or less, which are promptly convertible to cash.

M. Accounting for Consumption Taxes

Consumption taxes are recorded as assets or liabilities when they are paid or received.

Note 3. Changes in Accounting Policies

A. Equity

Effective as of the fiscal year ended March 31, 2011, the "Accounting Standard for Equity Method of Accounting for Investments" (Accounting Standards Board of Japan Statement No.16 released on March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (Practical Issues Task Force No.24 dated March 10, 2008) have been adopted.

There is no impact on ordinary income or income before income taxes and minority interests.

B. Asset Retirement Obligations

Effective as of the fiscal year ended March 31, 2011, the "Accounting Standard for Asset Retirement Obligations" (Accounting Standards Board of Japan Statement No.18 dated March 31, 2008) and the "Guidance on Accounting Standard for Asset Retirement Obligations" (Accounting Standards Board of Japan Guidance No.21 dated March 31, 2008) have been adopted.

There is no impact on ordinary income or income before income taxes and minority interests.

C. Accounting Standard for Financial Instruments

Effective as of the fiscal year ended March 31, 2010, the "Accounting Standard for Financial Instruments" (Accounting Standards Board of Japan Statement No.10 dated January 22, 1999 and its last amendment was March 10, 2008) and "Guidance on Disclosures about Fair Value of Financial Instruments" (Accounting Standards Board of Japan Guidance No.19 dated March 10, 2008) have been adopted.

There is no impact on ordinary income or income before income taxes and minority interests.

D. Investment Securities

Unrealized gains or losses on other investment securities for which market quotations are available had been accounted for using the partial net asset recording method. Effective as of the fiscal year ended March 31, 2010, in order to improve comparability with other companies, the accounting method has been changed to the whole net asset recording method. The impact of this change to the fiscal year ended March 31, 2010 increases ordinary income and income before income taxes and minority interests in income by ¥4,966 million and ¥2,669 million, respectively, compared to the previous method.

E. Provision for Retirement Benefits

Effective as of the fiscal year ended March 31, 2010, the "Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)" (Accounting Standards Board of Japan Statement No.19 dated July 31, 2008) has been adopted.

The impact on operating income, ordinary income and income before income taxes and minority interests is minor.

Note 4. Changes in Description**A. Consolidated Balance Sheets**

Effective as of the consolidated accounting period ended March 31, 2010, "Long-term accounts payable-other," has been included in "Other" due to their immateriality.

B. Consolidated Statements of Income

Effective as of the consolidated accounting period ended March 31, 2011, "Loss on redemption of securities," individually described in the 2010 accompanying consolidated statements of income, has been included in "Other" due to their immateriality. "Other" in the 2011 accompanying consolidated statements of income included ¥809 million (\$9,749 thousand) of "Loss on redemption of securities."

Effective as of the consolidated accounting period ended March 31, 2011, under the "Accounting Standard for Consolidated Financial Statements" (Accounting Standards Board of Japan Statement No.22 dated December 26, 2008), the "Cabinet Office Ordinance Partially Revising Regulation for Financial Statement, etc." (Cabinet Office Ordinance No.5 dated March 24, 2009) has been adopted and the account "Income before minority interests" has been presented.

Effective as of the consolidated accounting period ended March 31, 2010, "Selling, general and administrative expenses," has been described in a lump and material accounts and amounts are noted.

Material accounts and amounts of "Selling, general and administrative expenses" in the consolidated accounting period ended March 31, 2011 and 2010 were presented in the following "Note 7. Note to Consolidated Statements of Income."

Effective as of the consolidated accounting period ended March 31, 2010, "Interest expenses," has been included in "Other" due to its immateriality.

Effective as of the consolidated accounting period ended March 31, 2010, "Loss on redemption of securities" has been individually described from the perspective of materiality.

C. Consolidated Statements of Cash Flows

Effective as of the consolidated accounting period ended March 31, 2010, "Interest expenses," has been included in "Other" in the net cash provided by (used in) operating activities due to their immateriality.

Note 5. Additional Information**Comprehensive Income**

Effective as of the fiscal year ended March 31, 2011, the "Accounting Standard for Presentation of Comprehensive Income" (Accounting Standards Board of Japan Statement No.25 dated June 30, 2010) has been adopted.

However, regarding "Other accumulated comprehensive income" and "Total other accumulated comprehensive income" for the fiscal year ended March 31, 2010, amounts for "Valuation and translation adjustments" and "Total valuation and translation adjustments" have been stated.

Note 6. Note to Consolidated Balance Sheets**A. Accumulated Depreciation of Property, Plant and Equipment**

Accumulated depreciation of property, plant and equipment were ¥51,577 million (\$621,409 thousand) and ¥51,637 million as of March 31, 2011 and 2010, respectively.

B. Investments in Unconsolidated Subsidiaries and Affiliates

Investments in unconsolidated subsidiaries and affiliates were ¥6,000 million (\$72,297 thousand) and ¥5,940 million as of March 31, 2011 and 2010, respectively.

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

Note 7. Note to Consolidated Statements of Income

A. Valuation Losses on Goods

Losses incurred from the application of the write-down of inventories due to decreased profitability of assets and charged to "Cost of sales" were ¥4,236 million (\$51,044 thousand) and ¥4,571 million for the years ended March 31, 2011 and 2010, respectively.

B. Selling, General and Administrative Expenses

Advertising expenses were ¥96,359 million (\$1,160,963 thousand) and ¥100,217 million, research and development expenses were ¥52,625 million (\$634,043 thousand) and ¥45,461 million, salaries, allowances and bonuses were ¥19,016 million (\$229,116 thousand) and ¥19,469 million, depreciation were ¥4,435 million (\$53,443 thousand) and ¥3,469 million, provision for bonuses were ¥915 million (\$11,026 thousand) and ¥752 million, and provision of allowance for doubtful accounts were ¥92 million (\$1,111 thousand) and ¥399 million for the years ended March 31, 2011 and 2010, respectively.

C. Research and Development Expenses

Research and development expenses incurred and charged to "Selling, general and administrative expenses" and "Cost of sales" were ¥52,756 million (\$635,619 thousand) and ¥45,471 million in total for the years ended March 31, 2011 and 2010, respectively.

D. Gain on Sales of Noncurrent Assets

Gross realized gains were ¥104 million (\$1,262 thousand) on sales of land and ¥1 million (\$13 thousand) on sales of machinery, equipment and vehicles for the year ended March 31, 2011, and were ¥74 million on sales of land and ¥52 million on sales of buildings and structures for the year ended March 31, 2010.

E. Loss on Disposal of Noncurrent Assets

Gross realized losses were ¥16 million (\$193 thousand) on disposal of tools, furniture and fixtures, ¥13 million (\$160 thousand) on disposal of buildings and structures and ¥1 million (\$18 thousand) on disposal of machinery, equipment and vehicles for the year ended March 31, 2011, and were ¥55 million on disposal of buildings and structures, ¥6 million on disposal of machinery, equipment and vehicles and ¥5 million on disposal of tools, furniture and fixtures for the year ended March 31, 2010.

F. Gain on Prior Periods Adjustment

"Gain on prior periods adjustment" is the amount of refund for the penalties of a law suit paid in prior years for the consolidated accounting period ended March 31, 2010.

G. Loss on Prior Periods Adjustment

"Loss on prior periods adjustments" is the amount of adjustments related to prior years in connection with redeemable points (by Club Nintendo points etc.). Effective as of the consolidated accounting period ended March 31, 2010, the granted points have been treated as deferred sales. Prior to the period, they were expensed.

Note 8. Note to Consolidated Statements of Comprehensive Income

A. Comprehensive Income

	¥
Year ended March 31, 2010	Japanese Yen in Millions
Comprehensive income	
Comprehensive income attributable to owners of the parent	¥216,846
Comprehensive income attributable to minority interests	(89)
Total	¥216,757

B. Other Comprehensive Income

	¥
Year ended March 31, 2010	Japanese Yen in Millions
Other comprehensive income	
Valuation difference on available-for-sale securities	¥(1,434)
Foreign currency translation adjustment	(10,349)
Share of other comprehensive income of associates accounted for using equity method	(4)
Total	¥(11,788)

Note 9. Note to Consolidated Statements of Changes in Net Assets

Number of outstanding shares

	As of March 31, 2010	Increase in the number of shares	Decrease in the number of shares	As of March 31, 2011
Common stock	141,669,000	-	-	141,669,000

	As of March 31, 2009	Increase in the number of shares	Decrease in the number of shares	As of March 31, 2010
Common stock	141,669,000	-	-	141,669,000

Number of treasury stocks

	As of March 31, 2010	Increase in the number of shares	Decrease in the number of shares	As of March 31, 2011
Common stock	13,786,778	3,258	105	13,789,931

	As of March 31, 2009	Increase in the number of shares	Decrease in the number of shares	As of March 31, 2010
Common stock	13,784,279	2,964	465	13,786,778

The reasons for the increase or decrease in the number of shares are as follows:

Increase due to purchase of odd lot shares and decrease due to disposal of odd lot shares by shareholders.

Amount of dividends paid

	Type of share	Amount of dividends (Japanese Yen in Millions)	Dividend per share (Japanese Yen)	Record date	Effective date
Annual general shareholders' meeting held on June 29, 2010	Common stock	¥84,402	¥660	March 31, 2010	June 30, 2010
Board of directors' meeting held on October 28, 2010	Common stock	¥17,903	¥140	September 30, 2010	December 1, 2010

	Type of share	Amount of dividends (Japanese Yen in Millions)	Dividend per share (Japanese Yen)	Record date	Effective date
Annual general shareholders' meeting held on June 26, 2009	Common stock	¥99,750	¥780	March 31, 2009	June 29, 2009
Board of directors' meeting held on October 29, 2009	Common stock	¥34,528	¥270	September 30, 2009	December 1, 2009

	Type of share	Amount of dividends (U.S. Dollars in Thousands)	Dividend per share (U.S. Dollars)	Record date	Effective date
Annual general shareholders' meeting held on June 29, 2010	Common stock	\$1,016,894	\$7	March 31, 2010	June 30, 2010
Board of directors' meeting held on October 28, 2010	Common stock	\$215,702	\$1	September 30, 2010	December 1, 2010

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

Dividends whose effective date is after the end of current fiscal year and record date is included in the current fiscal year.

	Type of share	Amount of dividends (Japanese Yen in Millions)	Source of dividends	Dividend per share (Japanese Yen)	Record date	Effective date
Annual general shareholders' meeting held on June 29, 2011	Common stock	¥39,642	Retained earnings	¥310	March 31, 2011	June 30, 2011

	Type of share	Amount of dividends (Japanese Yen in Millions)	Source of dividends	Dividend per share (Japanese Yen)	Record date	Effective date
Annual general shareholders' meeting held on June 29, 2010	Common stock	¥64,402	Retained earnings	¥660	March 31, 2010	June 30, 2010

	Type of share	Amount of dividends (U.S. Dollars in Thousands)	Source of dividends	Dividend per share (U.S. Dollars)	Record date	Effective date
Annual general shareholders' meeting held on June 29, 2011	Common stock	\$477,620	Retained earnings	\$3	March 31, 2011	June 30, 2011

Note 10. Note to Consolidated Statements of Cash Flows

"Cash and cash equivalents at end of year" were reconciled to "Cash and deposits" in the accompanying consolidated balance sheets as of March 31, 2011 and 2010 as follows:

As of March 31,	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands
	2011	2010	2011
Cash and deposits	¥812,870	¥886,995	\$9,793,618
Time deposits with maturities of more than three months	(153,591)	(176,035)	(1,950,497)
Short-term investments with an original maturity of three months or less	65,087	220,373	784,183
Cash and cash equivalents	¥724,366	¥931,333	\$8,727,304

Note 11. Leases

The Company and certain consolidated subsidiaries lease tools, furniture and fixtures and other noncurrent assets.

Information of finance leases as of March 31, 2011 and 2010 were omitted as they are immaterial.

The rental commitments under noncancelable operating leases as of March 31, 2011 and 2010 were as follows:

	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands
As of March 31,	2011	2010	2011
Due within one year	¥1,272	¥1,315	\$15,332
Due after one year	4,174	4,876	50,291
Total	¥5,446	¥6,191	\$65,624

Note 12. Financial Instruments**A. Condition of Financial Instruments for the Year Ended March 31, 2011 and 2010****(1) Policy for measures relating to financial instruments**

The Company and its consolidated subsidiaries use only financial assets with high degrees of safety such as deposits for the management of funds. The Company and certain consolidated subsidiaries use derivatives to reduce risk as described below, and for the purpose of yield improvement of short-term financial assets, and not for speculative purposes.

(2) Details of financial instruments, risks, and risk management system

Notes and accounts receivable-trade are exposed to credit risk of customers. In order to reduce the risk, the Company and its consolidated subsidiaries monitor the credit status and transaction history, assess creditworthiness and set credit limit for each customer. Since short-term investment securities and investment securities mainly comprise bonds held to maturity issued by financial institutions that have high creditworthiness, the credit risk is minimal. Such bonds are also subject to foreign currency exchange risk and market risk. The Company and its consolidated subsidiaries closely monitor the market value of such bonds and the financial position of the issuer and review the status of these investments on a regular basis. Investment securities include stocks of companies with which the Company has business relationships. These stocks are exposed to market risk, however, the investment balance is immaterial.

Notes and accounts payable-trade and income taxes payable are all due within one year.

The Company and certain consolidated subsidiaries enter into foreign exchange forward contracts, non-deliverable forward contracts and currency option contracts to reduce risk of exchange rate fluctuations arising from deposits and trade receivables denominated in foreign currencies. Derivative transactions are exposed to foreign currency exchange risk. Derivative transactions entered into by the Company and certain consolidated subsidiaries are made within the limits of foreign currency deposits by the Finance Department or the department in charge of financial matters, after getting approval by the president or the directors in charge. Status of derivative transactions is reported to Board of Directors on a regular basis. Since counterparties of such transactions are limited to financial institutions that have high creditworthiness, the Company anticipates risk due to default is minimal.

(3) Supplementary explanation regarding fair value of financial instruments

Fair value of financial instruments is measured based on the quoted market price, if available, or rationally calculated values if a quoted market price is not available. Because estimation of fair value incorporates variable factors, adopting different assumptions might change the value. In addition, the contract amounts of the derivative transactions below in "Note 14. Derivatives" do not represent the market risk of derivative transactions.

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

B. Fair value of financial instruments

(1) Amounts recognized for selective items in the consolidated balance sheet

The book value on the consolidated balance sheet, fair value, and differences as of March 31, 2011 and 2010 were as follows:

	¥ Japanese Yen in Millions			\$ U.S. Dollars in Thousands		
As of March, 2011	Book value	Fair value	Difference	Book value	Fair value	Difference
(1)Cash and deposits	¥812,870	¥812,870	-	\$9,793,618	\$9,793,618	-
(2)Notes and accounts receivable-trade	135,689	135,689	-	1,634,810	1,634,810	-
(3)Short-term investment securities and investment securities						
a. Held-to-maturity debt securities	343,968	343,909	¥(58)	4,144,200	4,143,493	\$(706)
b. Other securities	46,278	46,278	-	557,566	557,566	-
Total assets	1,338,806	1,338,747	¥(58)	16,130,196	16,129,489	\$(706)
(1)Notes and accounts payable-trade	214,646	214,646	-	2,586,107	2,586,107	-
(2)Income taxes payable	32,301	32,301	-	389,173	389,173	-
Total liabilities	246,948	246,948	-	2,975,280	2,975,280	-
Derivatives	¥(2,777)	¥(2,777)	-	\$(33,464)	\$(33,464)	-

	¥ Japanese Yen in Millions					
As of March, 2010	Book value	Fair value	Difference			
(1)Cash and deposits	¥886,995	¥886,995	-			
(2)Notes and accounts receivable-trade	131,876	131,876	-			
(3)Short-term investment securities and investment securities						
a. Held-to-maturity debt securities	356,887	356,845	¥(41)			
b. Other securities	46,368	46,368	-			
Total assets	1,422,127	1,422,086	¥(41)			
(1)Notes and accounts payable-trade	264,613	264,613	-			
(2)Income taxes payable	55,666	55,666	-			
Total liabilities	320,280	320,280	-			
Derivatives	¥(1,001)	¥(1,001)	-			

[Note1] Fair value measurement of financial instruments, items relating to securities and derivative transactions

Cash and deposits, notes and accounts receivable-trade

The book value approximates fair value because of the short maturity of these items.

Short-term investment securities and investment securities

The fair value of stocks equal quoted market price. Bonds are valued at the price provided by financial institutions. Securities classified by purpose of holding are described in "Note 13 Short-term Investment Securities and Long-term Investment Securities."

Notes and accounts payable-trade and income taxes payable

The book value approximates fair value because of the short maturity of these items.

Derivative transactions

Net amounts of receivables / payables arising from derivative transactions are shown. Items that are net payables are shown in parenthesis.

Measurement of fair value and natures of transactions relating to derivatives are described in "Note 14 Derivatives."

[Note2] Unlisted stocks (¥6,185 million or \$74,563 thousand and ¥6,128 million in the consolidated balance sheet for the years ended March 31, 2011 and 2010, respectively) which do not have market prices and of which future cash flows cannot be estimated are not included in "short-term investment securities and investment securities," since the estimation of fair value is deemed to be extremely difficult.

(2) Redemption schedule for monetary assets and securities with maturity subsequent to the consolidated balance sheets date as of March 31, 2011 and 2010 were as follows:

	¥		\$	
	Japanese Yen in Millions		U.S. Dollars in Thousands	
	Due within one year	Due after one year through five years	Due within one year	Due after one year through five years
As of March, 2011				
Cash and deposits	¥812,870	-	\$9,793,618	-
Notes and accounts receivable-trade	135,689	-	1,634,810	-
Short-term investment securities and long-term investment securities				
Held-to-maturity debt securities				
Certificate of deposits	305,824	-	3,684,633	-
Money held in trust	15,000	-	180,722	-
Corporate and government bonds	23,122	-	278,579	-
Other investment securities with maturity				
Corporate and government bonds	14,135	¥9,978	170,307	\$120,216
Total	¥1,306,641	¥9,978	\$15,742,671	\$120,216

	¥	
	Japanese Yen in Millions	
	Due within one year	Due after one year through five years
As of March, 2010		
Cash and deposits	¥886,995	-
Notes and accounts receivable-trade	131,876	-
Short-term investment securities and long-term investment securities		
Held-to-maturity debt securities		
Certificate of deposits	315,816	-
Money held in trust	10,000	-
Corporate and government bonds	31,066	-
Other investment securities with maturity		
Corporate and government bonds	8,373	¥26,981
Total	¥1,384,129	¥26,981

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

Note 13. Short-term Investment Securities and Long-term Investment Securities

Held-to-maturity debt securities as of March 31, 2011 and 2010 were as follows:

	¥ Japanese Yen in Millions			\$ U.S. Dollars in Thousands		
	Book value	Fair value	Difference	Book value	Fair value	Difference
As of March, 2011						
Securities whose fair value exceed their book value on the accompanying consolidated balance sheets	¥1,685	¥1,704	¥19	\$20,301	\$20,541	\$240
Securities whose fair value do not exceed their book value on the accompanying consolidated balance sheets	342,283	342,205	(78)	4,123,899	4,122,952	(946)
Total	¥343,968	¥343,909	¥(58)	\$4,144,200	\$4,143,493	\$(706)

	¥ Japanese Yen in Millions		
	Book value	Fair value	Difference
As of March, 2010			
Securities whose fair value exceed their book value on the accompanying consolidated balance sheets	¥3,725	¥3,728	¥2
Securities whose fair value do not exceed their book value on the accompanying consolidated balance sheets	353,161	353,117	(43)
Total	¥356,887	¥356,845	¥(41)

Other securities as of March 31, 2011 and 2010 were as follows:

	¥ Japanese Yen in Millions			\$ U.S. Dollars in Thousands		
	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference
As of March, 2011						
Securities whose book value on the accompanying consolidated balance sheets exceed their acquisition cost						
Equity securities	¥5,597	¥1,770	¥3,827	\$67,443	\$21,327	\$46,116
Sub-total	5,597	1,770	3,827	67,443	21,327	46,116
Securities whose book value on the accompanying consolidated balance sheets do not exceed their acquisition cost						
Equity securities	3,841	4,165	(324)	46,281	50,190	(3,908)
Debt securities	36,838	41,886	(5,047)	443,841	504,661	(60,819)
Sub-total	40,680	46,052	(5,372)	490,123	554,851	(64,727)
Total	¥46,278	¥47,822	¥(1,544)	\$557,566	\$576,178	\$-(18,611)

	¥ Japanese Yen in Millions		
As of March, 2010	Book value	Acquisition cost	Difference
Securities whose book value on the accompanying consolidated balance sheets exceed their acquisition cost			
Equity securities	¥7,784	¥2,449	¥5,335
Debt securities	4,814	4,620	193
Sub-total	12,599	7,069	5,529
Securities whose book value on the accompanying consolidated balance sheets do not exceed their acquisition cost			
Equity securities	3,521	3,813	(291)
Debt securities	30,246	32,682	(2,435)
Sub-total	33,768	36,495	(2,726)
Total	¥46,368	¥43,565	¥2,802

[Note1] Unlisted stocks (¥188 million or \$2,266 thousand and ¥188 million in the consolidated balance sheet for the years ended March 31, 2011 and 2010, respectively) which do not have market prices and of which future cash flows cannot be estimated are not included since the estimation of fair value is deemed to be extremely difficult.

[Note2] Information of proceeds from sales of other securities and impairment of securities for the year ended March 31, 2011 were omitted as their amounts are immaterial.

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

Note 14. Derivatives

Derivative contracts not subject to hedge accounting as of March 31, 2011 were as follows:

	¥			\$		
	Japanese Yen in Millions			U.S. Dollars in Thousands		
As of March 31, 2011	Contract amount	Fair value	Unrealized gain (loss)	Contract amount	Fair value	Unrealized gain (loss)
Exchange forward contracts						
Selling Canadian Dollar	¥1,305	¥(9)	¥(9)	\$15,727	\$(109)	\$(109)
Selling British Pound	2,709	49	47	32,649	591	568
Non-deliverable forward contracts						
Selling South Korean Won	1,160	(47)	(47)	13,981	(571)	(571)
Currency options						
Written call options:						
U.S. Dollar	75,126			905,136		
(Premium)	437	449	(11)	5,273	5,414	(140)
Euro	186,678			2,249,139		
(Premium)	1,649	3,606	(1,957)	19,868	43,451	(23,582)
Purchased put options						
U.S. Dollar	25,042			301,712		
(Premium)	587	497	(89)	7,077	5,995	(1,082)
Euro	62,226			749,713		
(Premium)	1,499	788	(711)	18,064	9,495	(8,568)
Total			¥(2,779)			\$(33,486)

[Note] No derivative contracts were due after one year.
The fair value as of March 31, 2011 is estimated based on price quoted by financial institutions where we have agreements.

Derivative contracts as of March 31, 2010 were as follows:

	¥		
	Japanese Yen in Millions		
As of March 31, 2010	Contract amount	Fair value	Unrealized gain (loss)
Exchange forward contracts			
Selling Canadian Dollar	¥1,831	¥(49)	¥(49)
Selling British Pound	4,842	(70)	(70)
Non-deliverable forward contracts			
Selling South Korean Won	2,388	(155)	(155)
Currency options			
Written call options:			
U.S. Dollar	160,377		
(Premium)	1,394	2,315	(920)
Euro	351,429		
(Premium)	2,336	2,113	222
Australian Dollar	2,861		
(Premium)	69	145	(76)
Purchased put options			
U.S. Dollar	53,459		
(Premium)	1,302	898	(404)
Euro	117,143		
(Premium)	2,497	2,949	452
Total			¥(1,001)

[Note] No derivative contracts were due after one year.
The fair value as of March 31, 2010 is estimated based on price quoted by financial institutions where we have agreements.

Note 15. Retirement Benefits

The Company has a tax approved pension scheme and lump-sum severance payments plan which is a defined benefit plan. Certain consolidated subsidiaries have defined contribution plans as well as defined benefit plans. The Company and certain consolidated subsidiaries may also pay extra retirement allowance to employees.

Retirement benefit obligations as of March 31, 2011 and 2010 were as follows:

	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands
As of March 31,	2011	2010	2011
a. Retirement benefit obligation	¥(29,713)	¥(27,607)	\$(357,993)
b. Plan assets	18,066	17,692	217,665
c. Unfunded retirement benefit obligation	(11,647)	(9,924)	(140,327)
d. Net pension liability recognized in the accompanying consolidated balance sheets	(11,647)	(9,924)	(140,327)
e. Provision for retirement benefits	¥(11,647)	¥(9,924)	\$(140,327)

[Note] Certain consolidated subsidiaries adopt a concise procedure to estimate retirement benefit obligation

Retirement benefit costs for the years ended March 31, 2011 and 2010 were as follows:

	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands
Years ended March 31,	2011	2010	2011
a. Service cost	¥1,829	¥1,575	\$22,042
b. Interest cost	776	775	9,351
c. Expected return on plan assets	(437)	(357)	(5,276)
d. Amortization of actuarial difference	1,822	(78)	21,960
e. Retirement benefit cost	3,990	1,915	48,077
f. Other	858	939	10,340
g. Total	¥4,848	¥2,854	\$58,418

[Note] "a. Service cost" includes retirement benefit costs of the subsidiaries which adopt a concise procedure to estimate retirement benefit obligation
 "f. Other" is mainly contribution amount with related to defined contribution plans

Assumptions used in calculation of retirement benefits for employees:

Year ended March 31, 2011

a. Method of attributing benefits to years of service:	Straight-line basis
b. Discount rate:	1.2% to 5.3%
c. Expected return rate on plan assets:	1.3% to 7.5%
d. Amortization years of actuarial difference:	Fully amortized in the same fiscal year as incurred

Year ended March 31, 2010

a. Method of attributing benefits to years of service:	Straight-line basis
b. Discount rate:	1.3% to 5.75%
c. Expected return rate on plan assets:	1.5% to 7.5%
d. Amortization years of actuarial difference:	Fully amortized in the same fiscal year as incurred

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

Note 16. Income Taxes

Significant components of deferred tax assets and liabilities as of March 31, 2011 and 2010 were summarized as follows:

As of March 31,	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands
	2011	2010	2011
Deferred tax assets:			
Research and development expenses	¥30,095	¥24,024	\$362,592
Inventory - write-downs and elimination of unrealized profit	9,862	19,760	118,825
Revenue recognition for tax purposes	7,690	-	92,659
Other accounts payable and accrued expenses	5,575	7,976	67,176
Provision for retirement benefits	4,351	3,948	52,433
Loss on valuation of investment securities	3,815	4,575	45,967
Accrued enterprise tax	2,600	3,885	31,330
Valuation difference on available-for-sale securities	2,191	-	26,279
Accumulated depreciation expenses	-	3,190	-
Land	-	2,297	-
Other	10,323	14,627	124,379
Gross deferred tax assets	76,496	84,286	921,644
Valuation allowance	(2,763)	(296)	(33,294)
Total deferred tax assets	73,733	83,999	888,349
Deferred tax liabilities:			
Undistributed retained earnings of subsidiaries and affiliates	(7,286)	(6,957)	(87,788)
Valuation difference on available-for-sale securities	(1,554)	(2,244)	(18,723)
Other	(2,270)	(3,675)	(27,361)
Total deferred tax liabilities	(11,111)	(12,877)	(133,872)
Net deferred tax assets	¥62,621	¥71,122	\$754,477

[Notes] Amounts for items with a bar were omitted as it is immaterial.

Reconciliation of the statutory tax rate and the effective tax rate for the year ended March 31, 2011 was omitted as the difference between the statutory tax rate and the effective tax rate after tax effect accounting was equal to or less than a five hundredth of the statutory tax rate.

Reconciliation for the year ended March 31, 2010 was as follows:

	2010
Statutory tax rate	40.6 %
(Reconciliations)	
Foreign tax credit on retained earnings of the overseas consolidated subsidiaries	0.3 %
Special deduction applied to the gross research and development expenses	(0.3)%
Different tax rates applied to the consolidated subsidiaries	(1.1)%
Other	(1.7)%
Effective tax rate after tax effect accounting	37.8 %

Note 17. Asset Retirement Obligations

Information of asset retirement obligations for the year ended March 31, 2011 was omitted as its amount is immaterial.

Note 18. Real Estate for Rent

Effective as of the fiscal year ended March 31, 2010, the "Accounting Standard for Disclosures about Fair Value of Investment and Rental Property (ASBJ Statement No.20)" and the "Guidance on Accounting Standard for Disclosures about Fair Value of Investment and Rental Property (ASBJ Guidance No.23)" have been adopted. Information of real estate for rent for the years ended March 31, 2011 and 2010 were omitted as their amounts are immaterial.

Note 19. Segment Information

Year ended March 31, 2011

A. Segment Information

The main business of Nintendo (Nintendo Co., Ltd. (the "Company") and its consolidated subsidiaries) is developing, manufacturing, and distributing handheld and home console hardware machines and related software. Development and manufacturing of products for worldwide use are primarily done by the Company. The Company distributes products in Japan while distribution in overseas markets is done by each local subsidiary.

Nintendo operates as a single operating segment with each major geographic subsidiary solely responsible for distributing handheld and home console hardware machines and related software to its local market and there is no difference by product in terms of distribution channels or markets. While analysis of product sales results is made by product category or by region, decision for allocation of the management resources and evaluation of business results are made on a company-wide basis, not based on a product category or region basis. Therefore, this information is omitted.

Effective as of the fiscal year ended March 31, 2011, the "Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Statement No.17 dated March 27, 2009)" and the "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Guidance No.20 dated March 21, 2008)" have been adopted.

B. Information about products and services

<p style="text-align: center;">¥ Japanese Yen in Millions</p>						
Year ended March 31, 2011	Handheld Hardware	Home Console Hardware	Handheld Software	Home Console Software	Other	Total
Sales to third parties	¥298,653	¥242,851	¥167,068	¥221,493	¥84,279	¥1,014,345

<p style="text-align: center;">\$ U.S. Dollars in Thousands</p>						
Year ended March 31, 2011	Handheld Hardware	Home Console Hardware	Handheld Software	Home Console Software	Other	Total
Sales to third parties	\$3,598,233	\$2,925,919	\$2,012,876	\$2,668,591	\$1,015,410	\$12,221,031

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

C. Information about geographic areas

<div style="text-align: center;">¥</div> <div style="text-align: center;">Japanese Yen in Millions</div>				
Year ended March 31, 2011	Japan	The United States	Other	Total
Sales	¥167,893	¥398,352	¥448,099	¥1,014,345
Property, plant and equipment	¥54,483	¥22,689	¥3,692	¥80,864

<div style="text-align: center;">\$</div> <div style="text-align: center;">U.S. Dollars in Thousands</div>				
Year ended March 31, 2011	Japan	The United States	Other	Total
Sales	\$2,022,817	\$4,799,423	\$5,398,789	\$12,221,031
Property, plant and equipment	\$656,423	\$273,365	\$44,486	\$974,275

[Note] Sales are categorized by countries based on the location of the customer.
Property, plant and equipment are categorized by countries based on its location.

D. Information about Major Customers

There were no major customers accounting for over 10% of sales in the consolidated financial statements of income within sales to third parties.

E. Information about impairment loss of fixed assets in reportable segments

The information was omitted as the Company operates as a single operating segment.

F. Information about goodwill in reportable segments

The information was omitted as the Company operates as a single operating segment.

G. Information about gain from negative goodwill in reportable segments

The information was omitted as the Company operates as a single operating segment.

Year ended March 31, 2010

A. Segment Information by Business Categories

The Company and its consolidated subsidiaries operate predominantly in one business category, "the electronic entertainment products," which accounted for over 90% of total net sales, operating income or loss and total assets for the year ended March 31, 2010. This information is not required.

B. Segment Information by Geographic Division of the Companies

Year ended March 31, 2010	¥ Japanese Yen in Millions					Eliminations in corporate	Consolidated
	Japan	The Americas	Europe	Other	Total		
Net sales and operating income							
Net sales							
Sales to third parties	¥231,424	¥640,879	¥481,270	¥80,791	¥1,434,365	-	¥1,434,365
Inter-segment sales	985,649	2,225	39	273	988,189	¥(988,189)	-
Total net sales	1,217,074	643,104	481,310	81,065	2,422,554	(988,189)	1,434,365
Operating expenses	922,928	603,303	463,298	77,292	2,066,822	(989,023)	1,077,798
Operating income	¥294,145	¥39,801	¥18,011	¥3,773	¥355,732	¥834	¥356,567
Total assets	¥1,413,259	¥324,238	¥185,136	¥32,106	¥1,954,740	¥(193,753)	¥1,760,986

[Note1] The following footnotes are applicable for the year ended March 31, 2010.

[Note2] The segmentation of country or region is based on the geographical proximity.
 The major countries or regions in "The Americas" are the United States and Canada.
 The major countries or regions in "Europe" are Germany, France, the United Kingdom, the Netherlands, Spain and Italy.
 The major countries or regions in "Other" are Australia, South Korea, China and Taiwan.

C. Sales to Overseas Customers

Year ended March 31, 2010	¥ Japanese Yen in Millions			
	The Americas	Europe	Other	Total
Sales to overseas customers	¥642,523	¥477,931	¥86,208	¥1,206,663
Consolidated net sales				¥1,434,365
Ratio of overseas sales to consolidated net sales	44.8%	33.3%	6.0%	84.1%

[Note1] The following footnotes are applicable for the years ended March 31, 2010.

[Note2] "Sales to overseas customers" are the total amount of sales of the Company and consolidated subsidiaries to the customers outside Japan.
 The segmentation of country or region is based on the geographical proximity.
 The major countries or regions in "The Americas" are the United States and Canada.
 The major countries or regions in "Europe" are Germany, France, the United Kingdom, the Netherlands, Spain and Italy.
 The major countries or regions in "Other" are Australia, South Korea, China and Taiwan.

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

Note 20. Related Party Transactions

Not applicable.

Note 21. Per Share Information

Years ended March 31,	¥ Japanese Yen		\$ U.S. Dollars
	2011	2010	2011
Net assets per share	¥10,022.26	¥10,450.33	\$120.75
Net income per share	¥606.99	¥1,787.84	\$7.31

Diluted earnings per share are omitted as no residual securities were outstanding as of March 31, 2011 and 2010.

The basis of calculation of net assets per share is as follows:

Years ended March 31,	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands
	2011	2010	2011
Net income	¥77,621	¥228,635	\$935,200
Amount unrelated to common shareholders	-	-	-
Net income related to common stock	¥77,621	¥228,635	\$935,200

Years ended March 31,	Number of shares in Thousands	
	2011	2010
Average number of shares (common stock)	127,880	127,883

Note 22. Significant Subsequent Events

Not applicable.

Note 23. Supplemental Schedule of Bonds

Not applicable.

Note 24. Supplemental Schedule of Borrowings

The information of borrowings as of March 31, 2011 and 2010 were as follows:

	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands
	2011	2010	2011
As of March 31,			
Short-term loans payable	¥125	¥125	\$1,506
Long-term loans payable due within one year	-	-	-
Lease obligations due within one year	62	65	751
Long-term loans payable due after one year	-	-	-
Lease obligations due after one year	94	157	1,133
Other liabilities with interest	-	-	-
Total	¥281	¥347	\$3,391

[Note] The average interest rate of "Short-term loans payable" is 1.1%.
The balance and interest rate used for the calculation of the average interest rate of "Short-term loans payable" are those at the end of the period.
The average interest rates of lease obligations are omitted as the interests equivalent included in total lease payments are allocated to each consolidated fiscal year by straight-line basis.
The due, excluding within one year, of lease obligations falls between April 2012 and September 2013.

As for lease obligations, long-term borrowings and other liabilities with interest, excluding due within one year, repayment schedule for the next five years after the current consolidated closing date are as follows:

	¥ Japanese Yen in Millions		\$ U.S. Dollars in Thousands	
	Due after one year through two years	Due after two years through three years	Due after one year through two years	Due after two years through three years
As of March 31, 2011				
Lease obligations	¥53	¥40	\$649	\$483

Note 25. Supplemental Schedule of Asset Retirement Obligations

The amounts of asset retirement obligations for March 31, 2011 and 2010 were less than or equal to a hundredth of the sum of liabilities and net assets for each year, therefore the information is omitted.

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010

Note 26. Others

Quarterly information of the consolidated fiscal year ended March 31, 2011 was as follows:

<div style="text-align: center;">¥</div> <div style="text-align: center;">Japanese Yen in Millions</div>				
Year ended March 31, 2011	First quarter	Second quarter	Third quarter	Fourth quarter
Net sales	¥188,646	¥174,513	¥444,830	¥206,354
Income before income taxes and minority interests	(45,938)	41,956	84,551	47,364
Net income	¥(25,216)	¥23,205	¥51,569	¥28,064

<div style="text-align: center;">¥</div> <div style="text-align: center;">Japanese Yen</div>				
Year ended March 31, 2011	First quarter	Second quarter	Third quarter	Fourth quarter
Net income per share	¥(197.19)	¥181.46	¥403.26	¥219.46

<div style="text-align: center;">\$</div> <div style="text-align: center;">U.S. Dollars in Thousands</div>				
Year ended March 31, 2011	First quarter	Second quarter	Third quarter	Fourth quarter
Net sales	\$2,272,851	\$2,102,572	\$5,359,404	\$2,486,203
Income before income taxes and minority interests	(553,470)	505,504	1,018,687	570,661
Net income	\$(303,819)	\$279,581	\$621,317	\$338,120

<div style="text-align: center;">\$</div> <div style="text-align: center;">U.S. Dollars</div>				
Year ended March 31, 2011	First quarter	Second quarter	Third quarter	Fourth quarter
Net income per share	\$(2.38)	\$2.19	\$4.86	\$2.64

Corporate Information

Board of Directors

President

Satoru Iwata*

Senior Managing Directors

Yoshihiro Mori*

Shinji Hatano*

Genyo Takeda*

Shigeru Miyamoto*

Nobuo Nagai*

Managing Directors

Masaharu Matsumoto

Eiichi Suzuki

Directors

Tatsunii Kimishima

Kaoru Takemura

Corporate Auditors

Ichiro Nakaji

Minoru Ueda

Yoshiro Kitano

Naoki Mizutani

Katashi Ozaki

*Representative Director

As of June 29, 2011

Common Stock

Nintendo Co., Ltd.

common stock is listed on the Osaka Securities Exchange, Section 1 and the Tokyo Stock Exchange, Section 1.

Annual Meeting

The Annual General Meeting of Shareholders for the fiscal year ended March 31, 2011 was held on June 29, 2011 at Nintendo Co., Ltd., Kyoto, Japan.

Independent Auditor

Kyoto Audit Corporation

Kyoto, Japan

Principal offices and facilities [Domestic]

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Minami-ku,

Kyoto 601-8501,

Japan

Tel : 81-75-662-9600

Plants

Uji Plant

Offices and Distribution Center

Tokyo Branch Office

Osaka Branch Office

Principal consolidated subsidiaries [Overseas]

Nintendo of America Inc.

Nintendo of Canada Ltd.

Nintendo of Europe GmbH

Nintendo France S.A.R.L.

Nintendo Benelux B.V.

Nintendo Ibérica, S.A.

Nintendo Australia Pty. Ltd.

Nintendo of Korea Co., Ltd.

Other consolidated subsidiaries

Domestic:

ND CUBE Co., Ltd.

Brownie Brown Inc.

MONOLITH SOFTWARE INC.

Project Sora Co., Ltd.

Wii no Ma Co., Ltd.

Mario Club Co., Ltd.

Overseas:

Nintendo Phuten Co., Ltd.

iQue (China) Ltd.

Nintendo Technology Development Inc.

Nintendo Software Technology Corporation

SiRAS.com Inc.

Retro Studios, Inc.

Nintendo (Hong Kong) Limited

Four other companies

Non-consolidated subsidiary with equity method non-applied

Domestic:

Fukuei Co., Ltd.

Affiliated companies with equity method applied

Domestic:

The Pokémon Company

WARPSTAR, Inc.

Overseas:

Two companies

Affiliated company with equity method non-applied

Domestic:

Ape inc.

Contact Information

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Corporate Communications

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For IR information in English, please visit
<http://www.nintendo.co.jp/ir/en/index.html>

For business in the U. S., please visit
<http://www.nintendo.com>



wii U™

Oversized AR Card* Instructions

*The oversized AR Card is a magnified AR Card image printed on the front page of this annual report

The oversized AR Card at the front page can be used to create impressively larger-than-life Mii™ characters with your Nintendo 3DS™ system. Prior to using this card, read these instructions carefully for details on proper usage of the oversized AR Card. Make sure to also read the Nintendo 3DS Operations Manual included with your Nintendo 3DS system.

How to Use:

The oversized AR Card is to be used exclusively with Mii Pics and Star Pics AR Card games.

* Mii Pics can be selected after clearing the Archery AR Game. If it cannot be selected, use the AR Card included with the Nintendo 3DS system to clear Archery first. If you do not have an AR Card, they can be downloaded from the official Nintendo website.

- (1) Select AR Games from the Nintendo 3DS HOME Menu.
- (2) Place the oversized AR Card in a flat, well-lit area, and move the Nintendo 3DS back 4 feet (120cm) so the entire card is within camera view.
- (3) Once the Nintendo 3DS has recognized the card, select Mii Pics.

* Press the X Button to cycle through 3 different Mii character sizes. Pressing the A, B, and Y Buttons to change the Mii character's pose, expression, etc. You can also use the Circle Pad to change the Mii character's position or angle.

If the oversized AR Card cannot be recognized:

- Hold the Nintendo 3DS system 4 feet (120cm) away so that the entire card is within camera view.
- Place the card in a well-lit area. Make sure bright light from lamps, etc. is not directly shining on the card.
- If the Nintendo 3DS system's outer cameras are dirty, wipe them clean with a soft cloth.
- If the card is bent or folded, it cannot be recognized. Please smooth out the card.

Check your surroundings..

When playing AR Card games, make sure you have enough room to move around and hold the system firmly with both hands. The oversized AR Card may not work outdoors.

